Daily Report

East Europe

FBIS-EEU-94-139
Wednesday
20 July 1994

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Article Links U.S. Consul to Party Registration

AU1907135594 Tirana KOMBI in Albanian 15 Jul 94 p 2

[Article by Artur Petriti: "The 'Revenge' Party Was Founded With U.S. Consul's Knowledge]

[Text] In 1992, the Albanian public was informed about a request made by 2,000 persons working in various European countries to create the "Revenge" Party. This party's chairman, Mr. Haxhi Gjoka, a former political prisoner and detainee who was living and working in Italy at the time, says that, before sending to Albania the documents applying for this party's recognition, he met with and consulted the U.S. consul to Rome. After expounding his party's program and goals, placing revenge at the center of its activity, according to Leke Dukagjini's Canon, he asked for the consul's opinion, whether this program was based on international justice. The consul responded that all the party's documents and program were politically based on the democratic laws of international justice. Immediately after this meeting, Mr. Gjoka asserts, he dispatched the documents to Tirana for registration of the "Revenge" Party. The above-mentioned assertions are also reflected in a letter that Mr. Haxhi Gjoka sent to President Sali Berisha, Mr. Pjeter Arbnori, Mr. Aleksander Meksi, and Mr. Alush Dragoshi on 1 June 1994. In his letter, Mr. Gjoka brings up a number of problems and complains about the discrimination he is subjected to by the present democratic state, regardless of the fact that he is a former political prisoner.

PDKSH Seen as True Political Force

AU2007075694 Tirana ORA E SHQIPERISE in Albanian 8 Jul 94 p 3

[Commentary by Gjergj Ndojaj: "The PDKSH Has Full Political Identity"]

[Text] As early as December 1991, the Christian Democratic Party of Albania [PDKSH] became an objective reality in the Albanian political scheme. Albeit without having its representatives in the Albanian Parliament (this due also to the particular characteristics of the elections of 22 March 1992), but represented in the local government bodies, the PDKSH, after passing through a phase of reflecting, structuring and restructuring, establishing and reestablishing contacts with Albanian political parties and sister European parties, has created its full identity. This party's name itself has always played a considerable role in earning sympathies (certainly antipathies too) of the public. Since World War II, the European Christian democratic parties have played a primary role in our continent's fate and orientation. These parties, despite flaws witnessed at various epochs and in the various parties, shortcomings which no political grouping could objectively avoid, launched active policy programs such as the growth of the people's well-being, enhancement of the humane character of capitalist development, definition, protection, and boosting human rights, active non-reconciliation with any political totalitarian system, etc. These are programs which have now firmly established the name "Christian democrat" itself. By putting family problems and the family's thorough healthy existence within the framework of European civilization above all else, the Christian democratic parties in various countries have been able to govern their countries for decades.

What we briefly mentioned above, and many other things, enabled the PDKSH to coalesce many sympathizers around it. Let us mention that the PDKSH took part in the elections of 22 July 1992 for local government bodies, without financial means or support from the state, without headquarters, press, transport means, with its program not widely publicized, with only a few minutes for an interview on television. But wherever they ran their candidates, they won the necessary confidence vote, enabling the PDKSH to have no fewer representatives than several other parties having much more means at their disposal.

Today, around two years to go until the next parliamentary elections, a highly charged political situation is now present, with political parties and groupings intensively bombarding the Albanian electorate, and the latter, too busy with their everyday troubles, displaying more often than not a certain degree of indifference. This indifference, however, is not likely to be still present when the moment comes to cast votes. Thus, even at this critical period for the Albanian society, where domestic problems are more and more conditioning the way of assessing external problems, the PKDSH, like a genuine Christian democratic party, is still having its own original name, enjoying the full possible sympathy this name can embrace. However, I am of the opinion that the name alone is not enough to achieve all this party's maximum goals. The Albanian electorate, more qualified than ever, cannot be won over simply by the terms "Christian democrat," "anti-communism," "recognition of and honoring property'," and so on. All these definitions propagated in a generalized way do not suffice even to create the necessary conditions for dialogue with other Christian democratic or Albanian political parties. Sooner or later, everything will come down to the old saying: "Don't judge a man by his fine clothes, but by his work."

Actually, Albanian society is confronted with a host of serious problems and phenomena relevant to property and its restoration, to the agricultural land, investment, privatization, further development of educational and health system, human rights, perfection of juridical state, judicial apparatus, working out civil and penal procedure codes, trade unions and their institutionalized role, unemployment and its evolution, foreign policy and the strategy of resolving the national question, drafting the constitution, and so on and so forth. All these problems already constitute concrete picket lines that in no way. [paragraph as published]

Article Views Property Restitution Difficulties

AU1907181994 Tirana ALEANCA in Albanian 16 Jul 94 p 2

[Article by Blendi Fevziu: "The Paradox of Having Two Different Kinds of Property Registers"]

[Text] Conceived in Albania as a particularly Eastern European problem, the restitution of property to former owners has brought about unexpected phenomena unknown to the rest of the continent. The lack of an appropriate formula for its solution and the adoption of the existing property law simply by the use of the parliamentary green card have spawned a panoply of social, economic, and psychological problems, which not only have put a brake on this country's development, but are bound to remain a thorny question threatening Albanian society for a long time. Suffice to mention that most foreign investments in Albania have failed just because of the property's dubious character or its co-ownership, and a large number of the occurring ordinary crimes originate from property conflicts. The essential thing is that the property problem cannot be solved by imposing a given viewpoint upon others, and without sorting this out there can never be a modern and developed society. This vicious circle is further worsened by a paradox that makes Albania perhaps the only country in the world where you can come across such concepts as "old owner" and "new owner", and you have two different kinds of property registers. The nationalization of private property in 1946, thoroughly completed during the 1960's on the Soviet pattern, eliminated all its types, replacing everything with state-owned property and the utopian dream of common wealth. This dangerous experiment, which constituted the essence of the socialist system, was accompanied by a most cruel dictatorship. It did nothing but foster hopes of a failed dream. Its failure became more evident during the 1980's, when the confrontation with the capitalist system of private property demonstrated its shortcomings in all aspects. The democratic beginnings revealed something unexpected for the post-communist society. The worshippers of common property, who decimated millions of people and economically speaking ruined one third of the world, had failed to annihilate the old property registers and certificates. Even Enver Hoxha, the red camp's most exaggerated dictator, did not touch them, and some of them go back hundreds of years to their origin.

The lack of desire to restitute property, or the incapability of finding a satisfactory formula to solve this problem, were reflected in the adoption of a mangled law, legitimized only by the force of the green parliamentary card. This law created a new class of owners in Albania, new property registers which excluded the old existing ones. Starting from a simple logic, both registers are legitimate, but by this act the dangerous precedent of politics modifying property registers has been set in Albania. Later on none of the owners will feel secure, and the shifts of ruling political forces will bring about changes in the legitimacy of property by passing it from one owner to another, from the new owner to the old one, and vice versa. In addition, the co-ownership recognized in the countryside is becoming evident in the towns too. According to the present law, the former owners are to be given back all physically existing properties, but in addition to shops bought from the state by their shop keepers, most of the rest turn out to be studios, and the painters who have had them under their possession are recognized by a presidential decree as their owners.

Human society, which has known several political systems and economic formations, has kept the property untouched. The property registers have always been the plank on which they have been erected. Feudal, bourgeois, and later capitalist France has revised and amended the method of property inheritance, but never inheritance itself. In all these different systems, property has been invulnerable, and most of it dates back to the epoch of Charlemagne.

Second, the property problem could very well be conceived as a contradiction related to material values that people inherited from their 50-year old property in the socialist society. According to a simple logic, almost all town residents acquired their flats by paying a symbolic sum of money, which was however equal to several months' wages. Moreover, they had been paying a monthly rent for several years for their flats, which in most cases surpassed the flat's real value. Unlike them, the peasants, in addition to their houses, acquired free of charge a plot of land, which not only made them owners, but with the issuance of the law on selling and buying the land, it will grant to them a considerable property.

After a collective work of 50 years, the unequal division of the values created by this work stimulated in Albania two groupings: the rural people, who thanks to the new law one morning found themselves owners of considerable property, and the urban residents, who acquired nothing but the houses they are living in.

The property problem continues to remain the most preoccupying problem of Albanian society. It cannot be solved by imposing the political will of one or another political force, but by consensus and a most satisfactory formula, leaving no ambiguities for eventual revisions in the future. Property will remain a questionable wealth as long as it is being legitimately claimed by several sides, and inasmuch as in Albania political forces could theoretically triumph which might delegate the property rights to one or another claiming side.

Report Notes Printing Industry Health Hazards

AU1907123494 Tirana GAZETA SHIPTARE in Albanian 14 Jul 94 p 1

[Report by Armand Mero: "A Press That ...Poisons. Many Diseased Printers. The Main Reasons: Lead, Noise, Ink, and Dust"]

[Text] Tirana—Printing houses have constantly remained a real gangrene for their workers. After years and years of fatigue, the only thing that they get is a whole load of diseases and infections, caused by the lead. In just Tirana's four printing houses and establishments—the "17 Nentori" typesetters, "Mihal Durri," "Cajupi," and the "Vlera" printing house—according to data provided by the Institute of Hygiene, almost all the workers (90 percent of whom are women) have serious health problems.

"Working conditions in printing houses and establishments are very difficult"—Lumturi Shehati, a specialist at the Institute of Hygiene, told GAZETA SHQIPTARE—"dust and lead vapors or paper itself cause various diseases and infections with unfavorable consequences for the workers." Thus, most of them—apart from getting intoxicated from lead vapors, which has become almost routine—suffer from nervous disorders, such as dizziness, headaches, and insomnia. "Some of the female workers have even been hospitalized in neurology wards suffering from serious disorders," Shehati adds. These workers have, at the same time, rotten teeth caused by lead sulfur dust. In addition to lead, the noise of the machinery causes various unfavorable effects on the workers' health. "In most cases, the workers suffer impaired hearing capabilities," explains Shehati.

Problems in these work places have become increasingly worrying. According to Shehati, the working conditions must be urgently improved—the half liter of that milk they are entitled to have every day does not come regularly, and even when it does, they consume it in the same working environment where they work—and now they are right to ask to retire after 23 years of work.

Commentary on SDS Parliamentary Boycott Plans

AU1907121294 Sofia KONTINENT in Bulgarian 16-17 Jul 94 p 4

[Commentary by Rymyana Bratovanova: "The Boycott Team Is Victorious"]

[Text] While President Zhelev was pretending to be a soccer fan in the United States, the postponed veto on the Judicial System Act was overruled in the parliament, and Chief Prosecutor Tatarchev, as well as Supreme Court Chairman Grigorov are both expected to part company from their posts. Naive supporters of the Union of Democratic Forces [SDS] expected the battle for their last stronghold to be a tough one. Promises were made that former allies and hesitating opponents would be persuaded to cooperate on the basis of person to person talks, so as to achieve a majority.

The results of the vote showed that the job was not done properly. Lame excuses that the summer heat and soccer enthusiasm had lulled the SDS members into some sort of lazy holiday mood sound somewhat unconvincing. SDS leader Filip Dimitrov was suspiciously hasty in declaring that nothing depended upon their presence at the plenary sessions, which helped him to confirm his hardline policy of uncompromising boycott. It cannot be excluded that the defeat of the SDS in the vote was a sort of political move on Filip Dimitrov's part, aimed at proving his thesis that the boycott is the minority's only chance. Facing the unreliable possibilty of winning the battle against its real enemy—namely the Bulgarian Socialist Party [BSP]—without much effort, the SDS leadership managed to inflict a devastating blow against its internal opponents within the coalition.

The Socialists did not appear as a paragon of innocence either. Their propaganda noisily advertised that, because of the president's veto, Bulgaria would be ruined by organized crime. However, like true communist shock-workers, in the Stakahnov manner, they did not await the 15-day deadline and voted ahead of schedule on the Judicial System Act, precisely on the day of U.S. Supreme Court Chairman Rehnquist's official visit. Instead of welcoming him with roses and flowers, they presented him with the humiliation of his host Ivan Grigorov and showed the Yanks that their interference is unnecessary.

Thus, everyone achieved some little advantage except the president, who has to count the goals in his own net.

Prosecutor Investigates Dogan on Language Issue

AU2007121894 Sofia Khorizont Radio Network in Bulgarian 0800 GMT 20 Jul 94

[Text] The Chief Prosecutor's Office has begun proceedings on a preliminary investigation against Ahmed Dogan, member of parliament and leader of the Rights and Freedoms Movement [DPS] in connection with his recent statements made at a meeting of the DPS local leadership in Kurdzhali on 2 July 1993 regarding the use of the Bulgarian language in carrying out duties during Army service. This was announced by the spokesman of the Chief Prosecutor's Office to the BTA News Agency.

The preliminary investigation proceedings are initiated on the basis of Article 191 of the Penal Code and in connection with news items published in the press and the other mass media, as well as in connection with tipoffs, statements of National Assembly deputies, and requests voiced by political and social organizations insisting that Ahmed Dogan should be deprived of his parliamentary immunity and that legal proceedings should be initiated against him.

Kozloduy Power Station Short of Funds

AU2007130594 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 20 Jul 94

[Text] The Power Engineering Commission is currently giving a news conference at the Press Center of the Kozloduy Nuclear Power Plant.

Let us hear our correspondent Veselin Angelov:

[Angelov] The financial difficulties and the technical solutions aimed at improving the operational safety of the reactors are the main subjects of the news conference.

It was pointed out that the European Bank of Reconstruction and Development has delayed the payment of the promised funds, while the resources granted by the state are quite insufficient. Despite all this, the repair and modernization of the third, fourth, and fifth reactors continue with the assistance of French and German specialists. The plant is currently operating at its lowest rate of capacity, namely at 700 megawatts, while the highest rate is 3,760 megawatts. This is due to the low rate of consumption during the summer months, and according to specialists there is no risk of the country's power supply system breaking down.

Prime Minister Criticizes Coalition Partners

AU2007075794 Prague LIDOVE NOVINY in Czech 19 Jul 94 p 5

[Article by Czech Prime Minister Vaclav Klaus: "Dearth of Humility"]

[Text] I am afraid that there is again, and completely unnecessarily, a hot summer ahead of us. The temperature is surging also in the political sense of the word, and, as usual, it is because someone is stoking the fire under the political cauldron. Moreover, also as usual, it is because this someone believes that he can gain a few points to the detriment of another person either on the popularity scale or in the electoral preferences of his or her political party.

As is slowly becoming a custom in this country, the culprit is not the opposition but, rather, a certain part of the government coalition supported by a not negligible part of the media. Nevertheless, I do not believe that, in doing so, it expresses the views of the dominant group of our fellow citizens, and that is precisely what I consider of utmost importance for further deliberations.

It is very unfortunate that the reason for the conduct of these people must be sought in the dearth of humility in the face of the small miracle that is taking place before our eyes in our country right now. This miracle can be condensed in a single, brief, and simple sentence: "It is a relatively very fast, very successful, and relatively painless and conflict-free transformation of the communist society into a society free, open, and into a market economy." No reasonable person can fail to see the enduring or newly arising problems or fail to be angry over the unpleasant details of this process—the bureaucratic malevolence and occasional red-tape tardiness—or the fact that not all of today's victors are the people we want to be victorious as we recall the past regime. One has to suffer occasional disappointments over this or that, but every reasonable, responsible, and, in the good sense of the word, humble person must see the overwhelming majority of the positives over the negatives. One must perceive the fragility and vulnerability of all that is new and emerging. One must be able to realize the eventual consequences of his or her words, phrases, unnecessary attacks, and accusations. One must realize how they affect our fellow citizens' fundamental feelings of peace and relaxation, how unnecessarily they cut down the credibility of the present political leadership of the country, how they threaten the greatest asset of the Czech post-November development—i.e., the straightforward linear advance, without a single falter or deceleration, without returns and new starts. I cannot understand why some of our politicians do not perceive it precisely this way.

At the same time, I am wondering whether they actually feel this far too well and simply prefer something else. They may prefer their small partial victory (or, rather, a temporary relative advantage to the detriment of someone else) to an overall loss. I have played basketball competitively for a quarter century. It definitely is a team game, and I know that two types of players existed even there—some wanted their team to win, others did not mind a lost game as long as the newspapers reported the next day that it was this particular player who shot the most baskets for the losing team. I have the feeling that this type of player is taking part in our politics today, that the rivalry, scuffles, jabs, and accusations depicted and even sought by media, are valued more than the final result. This is, according to my deepest conviction, a terrible and unwarranted error.

It is possible, however, that it is all a bit different, that it is not an ethical but, rather, an intellectual defect. Maybe it is not the preference of these people for their little victories over the final loss. Maybe it is "just" a question of underestimating the fragility and vulnerability of the achievements. Maybe it is no more and no less than an erroneous belief that it is all over, and politics here is such that politicians fight over half a percent of votes and voter support. Unfortunately, in our instance, four and a half years after the fall of communism, it is not so. In any event, politics is something more: It is the creation of positive projects of the conceivable future and the ability to contribute to their implementation. I would really like to ask the present disruptive elements on our political scene and in our public life where their ambitious and courageous ideas are (and the ability to bring them to conclusion), with the aid of which we could accelerate our transformation process. Have they ever, since November 1989, come up with any such ideas? Do they leave anything positive behind them? Are they capable of playing a constructive part or unable to overcome their negativist stands and approaches?

I would very much like if everyone started taking stock of himself and reconsidered with the necessary humility whether it is better to win in the league competition as a team or shoot more baskets than one's teammates in a single game. We must all consider ourselves teammates, however, without anyone playing clandestinely for a different team.

Foreign Minister Receives Kuwaiti Deputy Minister

AU1907163394 Bratislava SLOVENSKY DENNIK in Slovak 16 Jul 94 p 1

[TA SR report: "Cooperation in the Economic Sphere"]

[Text] Bratislava—Foreign Minister Eduard Kukan received Kuwaiti Deputy Foreign Minister al-Shahin [name as published] yesterday. The Kuwaiti guest gave him a message from Deputy Prime Minister and Foreign Minister Shaykh Sabah al-Ahmad al-Jabir al-Sabah containing an invitation to E. Kukan to visit Kuwait. The two representatives exchanged views on certain global and regional policy issues. According to al-Shahin, they agreed that missions to Slovakia need to be undertaken by representatives from Kuwaiti ministries and business circles to obtain information about the conditions for investing in the Slovak Republic and to look into the possibilities for intensifying economic relations. The Kuwaiti guest also held talks with Foreign Ministry State Secretary Dusan Rozbora. They discussed the agreements between the two countries, especially in the economic sphere. They agreed to begin talks on drafting an agreement on preventing dual taxation and an agreement on the mutual protection of and support for investments. They agreed on a mutual appraisal of the agreements to which the Slovak Republic succeeded following the breakup of the CSFR, in which their topicality will be validated and the course of action for establishing a new basis for forging agreements between the two countries will be determined.

Summit With Hungary Scheduled for 5 Aug

AU1907121494 Bratislava PRAVDA in Slovak 18 Jul 94 pp 1, 12

[Article by Jan Skoda from Trieste: "Return to the Original Aims of the Pentagonal; Central European Initiative's Summit in Trieste"]

[Excerpts] Trieste—[Passage omitted] In his speech at the plenary session of the Central European Initiative [CEI] summit in Trieste, Slovak Prime Minister Jozef Moravcik stressed that respect for the principles of human rights and the rights of citizens belonging to ethnic minorities was a condition for successful regional cooperation and endorsed the drafting of the outline of a convention on the protection of minority rights in a Council of Europe framework document. Moravcik expressed Slovakia's interest in CEI projects in the sphere of macroeconomic infrastructure, particularly energy, transportation, and telecommunications. He gave backing to the Italian initiative to establish "industrial zones" in support of small and medium-sized businesses. At the same time, he drew attention to the problem of financing promising CEI projects. [passage omitted]

The CEI summit in Trieste also created the scope for important bilateral meetings, including the first official talks between the Slovak and Hungarian prime ministers. Gyula Horn told Slovak reporters that the talks concerned specific issues and that he would visit Bratislava on 5 August. His talks with Prime Minister Moravcik will concern all hitherto unsolved issues of Slovak-Hungarian relations, including the conclusion of a basic treaty, the opening of new border-crossing points, and problems of the hydroelectric project on the Danube. "I have always been an optimist, and I am optimistic even now," the Hungarian prime minister said. The date of the Slovak-Hungarian meeting in Bratislava was confirmed also by Slovak representatives.

On the night of 15 July, the Slovak delegation also held talks with the Romanian and Polish delegations. At a meeting on Friday with Austrian Chancellor Franz Vranitzky, it submitted the draft of a Memorandum of Understanding, with the wording of which our partner voiced agreement. This document on cooperation between Austria and Slovakia in the sphere of health care, education, transportation, and communications is to be signed at the earliest possible date.

Movement Seeking Union With CR Holds Congress

AU1907182494 Bratislava SME in Slovak 18 Jul 94 p 2

[TA SR report: "Movement for Prosperous Czech Lands and Slovakia Wants To Stop Building 'Berlin Wall' Between Czech and Slovak Republics"]

[Text] Bratislava—The parliamentary elections this fall will be the first opportunity since the partition of Czechoslovakia for a substitute referendum, which our citizens were denied in 1992. This was stated by delegates to the constituent congress of the Movement for Prosperous Czech Lands and Slovakia [Hnutie za prosperujuce Cesko a Slovensko] (HZPCS), which was held in Bratislava on 16 July. The movement came into being in protest against the misuse of political power, as a result of which the CSFR was divided into two state entities without regard for citizens' views and consent. The HZPCS has almost 7,900 members and will run in the elections on its own. It wants the building of a "Berlin Wall" between the Czech Republic [CR] and the Slovak Republic on the way to the European Union to be stopped, which is why it will seek the start of negotiations aimed at creating above-standard relations with the CR, including the possibility of forming a Czech-Slovak union. The congress elected Lubos Olejar HZPCS chairman. In an interview, Olejar declared that Slovakia's economic prosperity can be enhanced by means of genuine economic integration with European states, mainly by resuming beneficial links to the CR. The HZPCS will push for easing the conditions for the conduct of business for foreign investors, for a customs union with the CR without customs houses at the border, and for the immediate reinforcement of protection of the state border with other states. Olejar said that all state visitors come to Slovakia via Prague. Not even the CSFR's partition has changed the way foreign statesmen think, according to him. Prague was and always will be more in the center than Bratislava, which, in his opinion, has also been confirmed by Egyptian President Muhammad Husni

Mubarak's visit. It is better for Slovakia to have its representatives in Prague than to let politicians of the CR create Slovakia's image, Lubos Olejar added.

SDL Names Candidates for Parliamentary Election

AU1907170694 Bratislava NARODNA OBRODA in Slovak 18 Jul 94 p 1

[Article by J. Gembicky: "Peter Weiss—It is Better To Build on Trust Than To Ask for Promissory Notes"]

[Text] Stupava—The Executive Committee was working on the puzzle of the Party of the Democratic Left [SDL] slate lists for the early parliamentary elections until three in the morning of 16 July. Just like the Republic Council on Saturday, the committee rejected some isolated proposals to call an extraordinary congress of the SDL.

The SDL Republic Council subsequently approved, without any major problems, the draft theses of the election program based neither on the firm-hand government nor on redeeming solutions. According to Peter Weiss, the theses should be based on calm politics built on expertise and social feeling. The main priority will be to elevate the broad middle class, including the farmers. The theses firmly reject a polarization of society and corruption. The council approved the assessment of the internal political situation and the approach to be used by the SDL submitted to the board by Chairman Peter Weiss.

First Deputy Chairman Pavol Kanis emphasized that Slovakia at present needs, above all, the cooperation of constructive political forces. The coalition of the SDL, the Social Democratic Party in Slovakia, the Farmers' Movement, and the Green Party of Slovakia is the seed of such a possibility, also on the floor of the new parliament.

The following people have become SDL joint-slate leaders in the individual electoral districts: Bratislava—Milan Ftacnik; western Slovakia—Lubomir Fogas; central Slovakia—Pavol Kanis; and eastern Slovakia—Peter Weiss. Listed as number two are the following: Jozef Kosnar, Brigita Schmognerova, M. Gergely (Green Party), and Jozef Pokorny (Green Party). Among the new faces on the list are the Olympic gold medalist Jozef Pribilinec and PRAVDA political commentator Marian Lesko. The former is number six in central Slovakia, the latter number two in the east. A new acquisition of the Social Democratic Party in Slovakia is the KOVO trade union boss, Jozef Krumpolec. On the other hand, Environment Minister Juraj Hrasko and Privatization Ministry State Secretary Juraj Plesnik decided not to run.

The SDL slate was not prepared by the center. It emerged as a combination of the proposals from the center and from the districts. The SDL will not ask its candidates to sign any promissory notes and does not plan any financial punishments. After the four-year parliamentary practice, Peter Weiss said, it is better to build on trust. By asking our candidates to sign some declarations, we would de facto express our mistrust in them. The SDL is the only party not to pass through the process of disintegration, and we do not have any reasons to do it, Weiss concluded.

Democratic Party Congress Decisions Reported

AU1907122994 Bratislava SME in Slovak 18 Jul 94 p 2

[Article by "dos": "Ivan Miklos Became Democratic Party Chairman"]

[Text] Bratislava—Ivan Miklos, previously deputy chairman, has become new chairman of the Democratic Party [DS]. This was decided on 16 July by delegates to the preelection DS congress, 122 of whom voted for Miklos while his opposite number, former DS Chairman Pavol Hagyari, won the support of 60 delegates.

In his speech, Miklos stressed that the main issue now was whether the DS would be a truly right-wing and civic party or whether it would become an internally hollow party. He said that the DS should strive to become a parliamentary party but not at the price of the loss of its own identity and face. Pavol Hagyari was elected DS deputy chairman, together with Peter Osusky, Alexander Slafkovsky, Koloman Pronay, and Miroslav Ondrus.

The congress discussed the situation that arose after the DS Executive Council passed a motion of no-confidence in former DS Chairman Pavol Hagyari. Most participants in the debate opposed the acceptance of the offer of the Democratic Union [DU] of places for DS candidates on the DU slate, originally enforced by Pavol Hagyari. In the end, the congress decided that the DS would not conduct any talks on the participation of its candidates on the slate of any other party. As it transpired in the debate, this decision should allow the DS leadership to discuss preelectoral cooperation with the Party of Entrepreneurs and Tradesmen (SPZ) as well as possible formation of a DS-DU-SPZ coalition, should the DU Republic Council decide in favor of this option. The congress also decided that the DS would offer to the SPZ entry on the DS slate on the basis of parity representation. The delegates also decided that the DS would on no account withdraw from the elections. The congress approved the principles of the electoral manifesto and authorized the DS Executive Council to approve its final shape. At a subsequent news conference, Ivan Miklos characterized the DS as an internally stable party because it managed to resolve its problems internally, by democratic means, and without splitting.

Chairman Lists Priorities

AU1907130394 Bratislava SME in Slovak 18 Jul 94 p 2

[Interview with Democratic Party Chairman Ivan Miklos by Robert Kotian in Bratislava on 16 July: "Priority Number-One Is Forming a Coalition"]

[Text] Before the conclusion of the Democratic Party [DS] congress, its new representatives organized a news conference, in the course of which we asked DS Chairman Ivan Miklos several questions.

[Kotian] Could you characterize your priorities?

[Miklos] The number-one priority and most important task in the next two weeks will be to resolve our course of action until the elections, also in relation to other parties. The Party of Entrepreneurs and Tradesmen [SPZ] is clearly the closest partner, but I consider also possible a tripartite coalition formed by the DS, the SPZ, and the Democratic Union [DU]. However, it is now the move of DU, which has declared, through its supreme party body between congresses, that it would go into the elections independently. Only the DU Republic Council, which will meet on 23 July, can change that decision. The priorities are as follows: forming a coalition so that the influence of right-of-center parties be as big as possible and so that the DS's influence within this coalition be as big as possible; retaining the independence and autonomy of the DS before and after the elections; and minimizing the risk of votes [cast for right-wing parties] being forfeited.

[Kotian] What are your ideas regarding a postelectoral coalition?

[Miklos] Evidently, Slovakia today is facing two alternatives. Neither of them is ideal, but one of them is worse than the other. The worst alternative is a government of extremist parties—that is, the Movement for a Democratic Slovakia, the Slovak National Party, and, possibly, the Association of Workers of Slovakia or a part of the Party of the Democratic Left. The other alternative is a right-left coalition. Unfortunately, preelection polls suggest that there probably will not be any other alternative. We suppose that the less adverse alternative will come to pass. We consider it crucial, however, that the influence of right-of-center parties and, in particular, of the right-wing civic party in this right-left coalition be as big as possible. There is no need to explain this in greater detail because all of the problems existing in the right-left coalition today are a result of the excessively large influence of left-wing parties and the style of their policy. However, the problems also result from the fact that, on many issues, the policies of parties that declare themselves to be right wing are not really right wing.

[Kotian] Do you contemplate closer cooperation with the Christian Democratic Movement and, in particular, the Permanent Conference of the Civic Institute?

[Miklos] We will not contest the elections jointly. We are competitors even though we are very close in terms of our programs. We want to be fair competitors and will definitely not resort to any unfair methods. The very closeness of our programs presupposes postelectoral cooperation.

[Bratislava NARODNA OBRODA in Slovak on 18 July on page 2 carries a 300-word interview with newly elected DS Chairman Ivan Miklos by Martin Kovacic entitled: "We Are Ready To Enter the Elections Jointly With the Democratic Union, but Only as Its Equal Partner." The interview, the place and date of which are not given, includes the following passage:

"[Kovacic] One of the deputy chairmen who has been elected is Pavol Hagyari. What is your idea of cooperation with him?

"[Miklos] I self-evidently fully subordinate myself to the will of the congress and accept Pavol Hagyari. I believe that cooperation with him definitely is possible, as long as he observes the line determined by the congress."]

KSU Removes Kunc Supporters From Presidium

AU1907121394 Bratislava PRAVDA in Slovak 18 Jul 94 p 2

[TA SR report: "Klepac Enjoys Trust"]

[Text] Zvolen—A total of 58 of the 74 members of the Christian Social Union [KSU] Slovak Council attending its meeting in Zvolen yesterday endorsed in a vote the political line of KSU Chairman Jan Klepac—that is, the party's independent entry into parliamentary elections. KSU Deputy Chairman Bartolomej Kunc, who supported the idea of contesting the elections on the slate of the Slovak National Party, asked that his activity in the party be suspended until the KSU assembly. In a vote, the KSU Slovak Council decided to recall Ignac Prno and Gabriela Hanakova, two representatives of Bartolomej Kunc's line, from the KSU Presidium. The KSU Slovak Council will meet again at Lucenec on 23 July to discuss the slate of candidates and appoint electoral leaders for individual constituencies.

Slota: Places on SNS Slate Open to KSU

AU1907135494 Bratislava SLOVENSKA REPUBLIKA in Slovak 16 Jul 94 p 3

[Article by TA SR and "(zl)": "Slovak National Party: They Do Not Want To Interfere in the Christian Social Union"]

[Text] Bratislava—At a news conference yesterday, Slovak National Party [SNS] Honorary Chairman Jozef Prokes lambasted the current government for irresponsibly squandering money. We could also have saved the 200 million korunas the parliamentary elections will cost, he said. He added that this government has no right to assess any government. He returned to the CSCE Parliamentary Assembly session in Vienna and, in connection with the statements made by V. Zhirinovskiy, said that, unfortunately, he expresses himself in an unpleasant manner, but he also addresses unpleasant facts, which sends shivers down the spines of many people. In response to a question from SLOVENSKA REPUBLIKA on the current contacts between the SNS and the Christian Social Union [KSU], SNS Chairman Jan Slota said that they do not want to interfere in the KSU's internal affairs, but they are still offering its candidates places on the SNS's slate. He said in connection with the signpost law that, if they were to get into government, they would certainly support its annulment.

Schmognerova Outlines Flaws in Payments Agreement

AU1907130594 Bratislava NARODNA OBRODA in Slovak 15 Jul 94 p 3

[Article by Slovak Deputy Prime Minister Brigita Schmognerova: "The Payments Agreement With the Czech Republic—How It Is and Should Not Be"]

[Text] The Payments Agreement between the Slovak and Czech Republics, which was signed in Prague on 4 February 1993, is an agreement on so-called clearing or, rather, settling accounts. A clearing agreement is, in general, an agreement between two or more states on the mutual purchase/sale of products and services in national currencies, which are expressed in a clearing unit in accordance with a mutually designated exchange rate so that the balance between the outstanding claims and liabilities in the mutual agreement is balanced under the conditions agreed upon. In the case of clearing with the Czech Republic, the clearing unit is the so-called clearing ECU (ECU = European Currency Unit formed from nine European currencies plus 20 percent gold). The difference between the exchange rate for the clearing ECU and the ECU should not, according to the agreement, exceed plus or minus 5.0 percent.

Article 6 of the Payments Agreement With the Czech Republic administers separately the means of and conditions for settling the balance. I will talk about this later.

The clearing agreement is intended to ease payment relations between the contractual states and, in this way, support mutual economic relations. It is especially important if, for a specific reason, payments cannot take place by normal means—in a convertible currency, for example, in dollars, German marks, and so on.

Following the breakup of the CSFR and the breach of the conditions contained in the Currency Agreement, the very lack of foreign currency reserves in the national banks of the Slovak and Czech Republics provided the incentive for the formulation of the clearing agreement. The situation in the Czech Republic, of course, was much better because a considerable part of the federation's foreign currency reserves were "stuck" in the Czech commercial banks, which purchased them without protest from the Slovak side. Under such conditions, the clearing agreement was supposed to be a positive solution to maintaining commercial relations, which represent an important factor for the two republics in economic development. It should have been and undoubtedly was. At what price, however? What kind of agreement did former Finance Minister Julius Toth in fact sign, and what price have we paid for this agreement?

First: Article 2 of the Payments Agreement of 4 February 1993 made it possible, until the additional amendment that came into force on 9 September 1993, for the foreign currency that Czech foreign trade enterprises obtained by exporting Slovak products to remain in the Czech Republic. This "negligence" by the signatory contributed to a sharp decline in the National Bank of Slovakia's foreign currency reserves in the first half of 1993.

Second: According to Article 6, unchanged to this day, an interest rate of 10 percent (!) is imposed if the credit margin is exceeded to the tune of 130 million clearing ECU's. If the credit margin is exceeded on the last day of each calendar month (!!), the debtor side is obliged to settle its ECU account in a freely convertible currency within 15 days of the subsequent month, and, if it is not settled, an interest rate of 15 percent (!!!) is imposed from the 16th day. Why have I used so many exclamation marks in the last two sentences? The 10- and 15-percent interest rates greatly exceed the interest rate on the London Interbank Offered Rate (the so-called LIBOR), for which normal credits, usually increased by 1.0 or 1.5 points, are also provided. Apart from this, it is stipulated quite exceptionally in the agreement (if there is a similar instance at all) that the payments based on the results of the current month be executed in a freely convertible currency.

Therefore, on 5 February 1993, the first deputy chairman [Peter Weiss] of the National Council of the Slovak Republic, after consulting experts from the Party of the Democratic Left, wrote a letter to former Prime Minister Meciar in which he pointed out to him that an agreement signed in this way is unequivocally disadvantageous for the Slovak side, that it will inevitably endanger internal convertibility, and that it will lead to the devaluation of the Slovak currency, and he demanded that the agreement be reassessed. The experts' forecasts, unfortunately, have been fulfilled: As I have already said, the foreign currency reserves declined sharply, the koruna was devalued, and the Slovak Republic had to pay the Czech Republic 85 million ECU's (more than $100 million) for exceeding the credit margin in December and January. This amounts to more than the total loan obtained from the IMF in 1993.

Third: The agreement or, rather, the protocol to it resolves separately the payment of outstanding claims and liabilities that were incurred before 8 February 1993. This involves the so-called clearing old bloc, which made it possible to pay outstanding claims at the exchange rate valid on 5 February 1993—that is, at a ratio of 1:1. The differences in rates between the actual and these fixed rates are then paid from the state budget of the debtor side. Because no agreement was reached in the protocol on ending the old bloc, to this day the state budget of the debtor side is paying for this, which is the Slovak Republic in the old bloc. And this is no mean sum: For every 100 Czech korunas of the balance—for example, given a difference in the rate of 0.35 points—this comes to 13.7 Slovak korunas [Sk]. The impact on our state budget as a whole is estimated at approximately Sk1.6-2.0 billion. If the observant reader adds up the losses that have been incurred from this agreement, it will become clear that we have paid more than enough for our inefficiency when it was signed.

So, basically, the Payments Agreement should not exist in its current form.

Kovacs Announces Change in Foreign Policy

AU1907153394 Vienna KURIER in German 19 Jul 94 p 4

[Report on interview with new Foreign Minister Laszlo Kovacs by Georg Berenyi in Budapest; date not given: "Hungary Wants To Consolidate Stability in the Region"]

[Text] In an exclusive interview for DER KURIER, Hungary's new foreign minister, Laszlo Kovacs, announced a major change of emphasis in Hungarian foreign policy coupled with fundamental continuity. Speaking about Austria, he said: "We want to make the relationships between the two countries much closer than has been the case over the past four years."

"A small country should not seek a partner for itself according to the color of other governments," he continued, referring to the "ideologically motivated" foreign policy in force until now. But the Austrian Social Democratic Party's domination in Vienna should not be a disadvantage, he said.

Budapest also wants to adopt new tones vis-a-vis its other neighbors. Says Kovacs: "In Bucharest or Bratislava, one will notice that Hungary tries to resolve open problems not by means of some central 'driving force,' but by means of its own feeling of sensitivity." The rights of Hungarian ethnic minorities in the neighboring countries should be guaranteed at the same time as the inviolability of Hungary's borders. Just like his Austrian colleague Alois Mock, the 55-year-old diplomat, who was secretary of state in the Hungarian Foreign Ministry from 1986 to 1990, is concerned with an international system of guarantees for the rights of ethnic minorities.

The consolidation of stability in the region contributes far more to Hungary's security than efforts to join NATO. "NATO would hardly be prepared to act as mediator in this region," says Kovacs. "But cooperation within the Partnership for Peace framework brings us, as well as our neighbors, much closer to NATO."

Hungary's foreign minister says that the greatest risks to security are "nationalism, encouraged by disaffected governments," plus the threat of a seizure of power by "authoritarian forces, which in a large country such as Russia tend to be inclined toward an expansionist foreign policy" and economic instability. Hungary must seek long-term security against these dangers in NATO and the EU, according to Kovacs.

Goncz Interviewed About Political Developments

AU1907182394 Budapest NEPSZABADSAG in Hungarian 16 Jul 94 p 17

[Interview with Hungarian President Arpad Goncz by Katalin Bossanyi; place and date not given: "I Would Prescribe a Cautious Optimism"]

[Excerpts] [Passage omitted] [Bossanyi] To what extent do the election results genuinely reflect the political palette in Hungary?

[Goncz] There is a strong left wing, slightly more than 30 percent, an almost identical liberal bloc, and a center-right conservative force of a similar size. I think these three forces mostly cover the public thinking in Hungary. Because of the particularities of our election system, the second round of elections distorted these proportions upwards. For the second time, we experienced that the party that gained most of the votes received a bigger weight in Parliament than its actual support in the second round of the elections. This is an advantage from the viewpoint of a stable government, but it could also confuse the principles of legitimacy and legality. Therefore, I was glad to see that the Hungarian Socialist Party [MSZP] immediately recognized the difference between the proportion of votes and the proportion of its parliamentary seats, and it tried to balance this by showing readiness for a coalition, in order to maintain its legitimacy. And the Alliance of Free Democrats [SZDSZ], which is the biggest liberal party in Europe today with its 20 percent of the votes, succeeded in overcoming its reservations and in stepping over its own shadow. Although not without arguments, it accepted the responsibility of joint government. [passage omitted]

[Bossanyi] Government rationalization and hopefully economic efficiency definitely call for a coalition. However, before the two parties decided on cooperation, opinion polls strongly suggested the citizens' desire for such a coalition. This also exercises a kind of moral pressure on the negotiating partners. In your opinion, why did so many people want this political cooperation?

[Goncz] The danger of communist restoration stood at the center of the election campaign of the parties that lost. Most people took this as the parties' desire to cling to power and as a useless threat. However, people would have been taken aback by the possibility that a single party, namely the MSZP, could obtain power, and not because of personal reasons but because of the recent past. I think this is why the people welcomed the MSZP-SZDSZ couple. Both the past of the liberal party and the future of liberalism can guarantee that no attempt whatsoever will be made for any restoration. [passage omitted]

[Bossanyi] You already accepted the role of mediator in the past, between the Antall cabinet and the trade unions. Rumors say that you have now invited big capital for a dialogue. Why?

[Goncz] If the government wants to implement its economic program, it has to achieve broad social agreements with the representatives of the employers and employees because, without this, social peace can hardly be preserved. According to my experience, big capital is now seeking the formalized relations of interest representation with the government through which it could assert its influence. This is why I have invited some

outstanding private entrepreneurs and bankers to speak about the hidden and not- so-hidden ways of lobbying, because it is a common interest that capitalist groups support the coalition's efforts aimed at putting the economy in order.

[Bossanyi] Do you see any honest intention for this on the part of the capitalist groups?

[Goncz] Yes. Of course, they will do this out of their own interests, as well as the government's interests, and not out of love. [passage omitted]

Opposition Parties on Reasons for Election Defeat

AU1907164894 Budapest UJ MAGYARORSZAG in Hungarian 19 Jul 94 p 5

[Correspondent's report: "The Chances of the Liberal-Conservative Alternative"]

[Text] Leading representatives of the opposition parties held an exchange of views in the Danube Palace in Budapest on 18 July, on the reasons for the defeat of the right wing and on the chances of the liberal-conservative alternative in the coming government cycle. In his speech, writer Jozsef Debreczeni analyzed the internal crisis prevailing in the Hungarian Democratic Forum [MDF]. In his opinion, the MDF was clearly "blown" by the internal opposition that represents radical ideas. True, this only supplied the background of the organized disintegration, because government activity required a full and united party. The pact signed with the Alliance of Free Democrats [SZDSZ] also accelerated this process. Istvan Csurka and his followers distanced themselves from the party's basic principles and thus they contributed to the distortion of the MDF's external image. The fact that the MDF only had weak positions outside the legislative and executive power also made things more difficult and, therefore, the party should have been engaged in politics as a mild and tolerant party.

Lajos Surjan, the chairman of the Christian Democratic People's Party [KDNP], expressed his opinion about the government activity. Although with many mistakes, the government functioned constantly in the past four years. According to the former welfare minister, the government lacked a genuine press policy and this led to a tragic result in the 1994 elections. The cabinet did not take into consideration the voters' interest orientation, and it cannot afford to do that in the future.

Laszlo Surjan declared that the cooperation of the three parties in the coalition would have been more stable if Jozsef Antall, Hungary's first freely-elected prime minister, had also included them into the pact. Aware of the current results, it would have been wiser perhaps to sign this pact with the MSZP, rather than with the SZDSZ at the time.

Ferenc Kulin, the parliamentary deputy of the MDF, said in his speech that the coalition appealed to the national feeling in vain, because this remained without any effect to this very day. He pointed out that, in our history, the national idea in itself has never been a mobilizing force; it only had a positive effect when the country was in danger politically or from a military political viewpoint.

In connection with Istvan Csurka, Ferenc Kulin said that the radicals confronted the former party chairman, Jozsef Antall. According to Kulin, the fact that the groups within the MDF that represent Dezso Szabo's ideals were defeated by the trend representing Jozef Eotvos' ideas can be regarded as one of the major achievements.

In the second part of the debate, the participants were seeking answers to the question of the chances of the liberal-conservative alternative in the current political situation.

The first to speak was writer Istvan Elek: The Federation of Young Democrats [FIDESZ], the MDF, and the KDNP belong to the liberal-conservative trend. The past four years have burdened their relations considerably. There is an ideological uncertainty prevailing in all the three parties, because the FIDESZ's relations with conservatism are pretty unstable. The KDNP is increasingly representing the Christian-social line. In conclusion, Istvan Elek pointed out that the success of the center right does not only depend on the efficiency of their cooperation, but also on the extent the present coalition is able to fulfill its campaign promises.

Peter Tolgyessy, the former chairman of the SZDSZ and representative of the national-liberal line in his party, expressed his opinions as a former social sciences researcher. He pointed out that the supporters of the former government parties are mostly old- age people and, unless this fact changes, these parties might disappear from the political scene. He called the FIDESZ a generation party, and we can find their supporters among the young people who came of age in the eighties. Peter Tolgyessy pointed out that the Hungarian Socialist Party was able to call upon all the strata of the late Kadar-era, with the exception of the middle class. In the coming four years, the parties of the center right can aim at the groups that believe in the middle class and which prefer market conditions to state distribution. The opposition must project the image of a force capable of governing and it should send its messages to real people, and not to imagined ones.

Laszlo Kover, head of the parliamentary group of the FIDESZ, said that a certain sense of confusion characterizes the center-right parties after their electoral defeat. However, this does not mean that they should continue to mourn; instead, they should cooperate in order to survive. Laszlo Kover also said that the coalition has all the legal means to consolidate its position. In conclusion, Laszlo Kover said that a scenario is possible in the future

in which the political pendulum gets back to the right, and only those will "survive" from the center who get on this pendulum.

Young Democrats Federation Elects New Leader

LD1807173094 Budapest Kossuth Radio Network in Hungarian 1600 GMT 18 Jul 94

[From the "Chronicle" program]

[Excerpt] The parliamentary group of the Federation of Young Democrats [Fidesz] elected Jozsef Szajer as its leader today. Karoly Levai reports:

[Begin Levai recording] The only nominee was Jozsef Szajer because Laszo Koever, acting leader of the parliamentary group, did not want to run in the election. He said he wanted to work in another field within the party but he did not go into details. Thus, the parliamentary group elected Jozsef Szajer as its leader with two abstentions and no votes against.

Jozsef Szajer told "Chronicle" that in the operation of the parliamentary group he wanted to keep elements which had characterized it so far, that is, constructive opposition criticism, and criticism by experts in concrete issues. [passage omitted] [end recording]

Search Begins for Nuclear Waste Storage Site

AU1807180794 Budapest NEPSZAVA in Hungarian 15 Jul 94 pp 1,3

[Report by unidentified correspondent: "Where Will the Nuclear Dump Be?"]

[Text] A decision was made recently on the temporary placement of spent nuclear fuel originating from the nuclear power plant in Paks. However, along with the preparations for the construction of this temporary storage facility, research is currently under way on finding adequate places for the storage of low- and medium-active wastes and for a permanent "nuclear cemetery."

The program carried out under the aegis of the National Committee of Technological Development [OMFB] is primarily searching for the possibility of storing low- or medium-active nuclear waste. The contaminated materials originating from the facility in Paks (like clothes, shoes, tools, and cleaning materials) have always been stored in Hungary. These materials have been enclosed in steel barrels and compressed in order to use less space. Most of this material is generally stored on the premises in Paks, and a smaller part is stored in the dangerous-waste-dump in Puspokladany. This, however, is not a long-term solution.

OMFB official Peter Kardos told us that research is under way on the basis of the so-called negative principle. This means that a place is sought on the basis of exclusion, an appropriate place both economically and geographically; one that cannot be near any population center.

The implementation of this project costs 325 million forints, with 185 million forints provided by the nuclear power plant in Paks, and the rest of 140 million forints provided by the OMFB from the Central Technological Development Fund. A separate tender has been issued to solve the problem of making the project acceptable to the population. According to Jozsef Ordogh, chairman of the National Atomic Energy Office, this can start this fall, when the research is complete. No decision has yet been made on the type of storage: either a surface or an underground facility. According to Peter Kardos, this is a professional issue and both versions have their advantages and disadvantages.

Along with this program, another research project is underway regarding the permanent storage of spent fuel rods. In cooperation with the Atomic Energy of Canada, the Mecsek Ore Mining Company is studying the aleurolyte layers near Boda that, based on the first analyses, seems to be an adequate place.

However, according to Jozsef Ordogh, no decision has yet been made, and the analysis is only theoretical, because the modules of the temporary storage facility in Paks can store the spent fuel for even 50 years if Russia decides not to allow the transportation of this fuel to its territory. The reason for the Canadian participation in the project is that such a permanent storage facility has not yet been constructed anywhere in the world and, therefore, the analysis of the aforementioned layer of aleurolyte is important not only for Hungary. Ordogh denied the speculations that a possible Canadian desire to bring its spent fuel to Hungary in the future is behind the support of the Canadian Government.

Relationship With OECD Examined

94EP0075A Warsaw ZYCIE GOSPODARCZE in Polish No 26, 26 Jun 94 p 10

[Article by Bogda Zukowska under the rubric "Commentary": "The Polish Road to the OECD"]

[Text] The Polish road to the OECD formally commenced early last February when we submitted an official application for admission to it. At the last annual session of that organization, we were given the green light to commence negotiations. We can count on full membership in about two years. Our road to the OECD will be much shorter than to the European Union. More important, membership in the "Club of 25" is a necessary though insufficient condition for gaining membership in the Union.

The climate for broadening membership is favorable. At its June session, it admitted a new member for the first time in years: Mexico became the 25th member country of the OECD, which it owes equally to its reform and to joining NAFTA and the support of the United States. The admission of Mexico can be viewed as a sign of a change in the philosophy of an institution considered for years an exclusive and closed club.

Greater opening is also favored by optimistic forecasts of the world economy, the more so considering that they were recently revised upward by the organization's experts. Prospects for world trade look encouraging, which is certain to contribute to a successful ending of the Uruguay Round.

Our chances look pretty good because, during the deliberations of the Poland-OECD Liaison Committee last December, our partners issued us a very good certificate as a country that "carried out reforms most efficiently." We are certain to earn further points for the growth of our GDP by more than 4 percent, and, in subsequent years, pursuant to the assumptions of the "Strategy," by even 5 percent.

But, to avoid excessive euphoria, let us add that joining the OECD is certain to be preceded by a transition period. Preconditions, too, will not be avoided. This means Poland's acceptance of the standards and philosophy of the OECD. The statutory purposes of the member countries of the OECD include maximizing economic growth and employment and promoting growth of trade on nondiscriminatory principles. We accomplished this latter purpose by signing in Marakesh the act of joining the World Trade Organization, the successor of GATT. As a member of the OECD, we will have to adhere to its directives, resolutions, and codes, and, among other things, liberalize capital flow.

Some idea of what awaits us is provided by the 60 recommendations on the strategy and methods of combatting unemployment, adopted by the participants of the June session. Incidentally, this was precisely the subject, rather than the issue of admitting new members from East Europe, that dominated the reports on the meeting of the ministers in Paris. The purpose of the adopted recommendations is to reduce unemployment, which in the OECD countries reaches 35 million, or 8.5 percent of the labor force. To us also, this is a vital issue, given a jobless rate of more than 2.8 million. The recommendations range from revisions of laws through incentives for businesses creating new jobs to educational and training programs and improvements in job placement systems. This strategy ensues from the report on unemployment presented at the OECD session. In his preface to that report, Secretary General Jean-Claude Paye noted that, to many people, changes in employment policy are "painful," but their postponement or attempts to postpone them cause this process to be even more painful. What else can our response be than to listen to these recommendations? As we aspire to membership in the Club of 25, we have to consider these recommendations seriously even now.

We have to consider as seriously the comments of the OECD's experts concerning the still excessive involvement of the government in the Polish economy. In the next two years, before our admission to the OECD, its experts will be certain to attentively watch our progress in privatization, especially the formation and operation of our National Investment Funds.

Speaking of preconditions, mention should also be made of the critical assessment of our balance of trade, made in December 1993. Perhaps at present it has improved, as happened with the IMF. The opinion expressed by Director Deppler of the IMF, who recently ended a mission to Warsaw and stated, "There are not at present reasons to be apprehensive," should calm the OECD experts.

[Box, p 10]

Partners in a Time of Change

The principal purpose of the just-ended visit of OECD Secretary General Jean-Claude Paye to Poland was to chair a conference summing up the implementation of the "Partners in a Time of Change" program during the first half of 1994. Let us recapitulate the nature of that program.

This is a program for consultative assistance, initiated under the 1991 Poland-OECD Memorandum of Understanding. The first program consisted of technical and advisory assistance, preparation of a review of the Polish economy by the organization's experts, and initiation of training programs. It also presupposed the gradual admission of Poland to participation in the activities of various standing committees and ad hoc working groups. At present, Poland participates in the work of 22 committees, three advisory task forces (for foreign investment, privatization, and taxes), and more than 40 working groups. We have gained the status of an observer at the Agriculture Committee and the Steel Industry Committee.

The OECD's current projects in Poland include a report on the state of the Polish economy of May 1992 and opinions on government policies in various domains of the economy, including the power industry, the farm and food-industry sector, the labor market, and regional policy.

A positive feature of the projects carried out so far is that they provide clear indications to the Polish Government and that the OECD's assessments and forecasts are of great opinionmaking importance to world economic centers. The OECD provides accreditation, as it were, for the economic policy pursued in Poland.

The "Partners in a Time of Change" program is being coordinated by the OECD's Center for Cooperation with Economies in a Time of Change. The Center's director is Salvatore Zecchini, who was a guest at the recent G-7 and E-10 conference. Below are his comments on Poland's participation in that program: "The 'Partners for Peace in a Time of Change' program proved to be extremely useful, especially when defining the main developmental trends...and creating the conditions for direct dialogue on policy subjects between the Polish authorities and the OECD partners. Such cooperation is of an exceptional nature and demonstrates the explicit will of the organization's members for closer cooperation with Poland, so that the process of social, economic, and democratic transformation will be crowned with success."

Return to Socialist Protection Urged

WS1907130094 Warsaw GAZETA WYBORCZA in Polish 19 Jul 94 pp 14-15

[Article by Tadeusz Nyczek under the "Opinions" rubric: "Capitalism Did Its Job and Now It Can Go Away"]

[Excerpts] *Why does society have a yearning for the times of the Polish People's Republic [PRL]? Capitalism came, but it overdid things. So, it is time to return to the concept of almost-free vacations, a job for everyone, and equality—in earning money and in drinking it away. Then things will at last be wonderful, writes Tadeusz Nyczek.*

[Passage omitted] What was the meaning of "capitalism" for the average Pole living in the 1980's and 1990's? "Capitalism" meant a gap in socialism, or, to be more precise, it meant deficiencies found in socialism. For someone with expertise on this subject, this seems like a paradox because either there is capitalism or socialism. The persuasive efficiency of socialist rhetoric, however, has managed to sink enough roots into society, that what could be described as "antisocialist resistance" actually boiled down to complaining rather than to demanding general changes.

The 1970's under Gierek was, beyond any doubt, a time of breakthroughs. It was then that the first generation raised completely in the PRL, accustomed from birth to socialist rules of the game, began its adult life. The glitz of the "taste of the West" present in those years was also significant. It seemed that happiness was just around the corner and that all we needed was a little more effort to have in Poland what we could only see in U.S. television movies up until then, meaning that things would be basically the same except that there would be a Fiat in front of every villa or apartment complex, and you would be able to find refrigerators, lamb, and toilet paper in the stores.

After 1989, capitalism came, but it overdid things. It would really have been enough to have just a little more merchandise and slightly fewer SOB's among the city and gmina [small administrative units] authorities. Who in the hell needs 17 different types of detergent, 49 different types of vodka, and 115 different newspapers at the newsstands? It would be perfectly fine to have just three types of detergent, probably seven or so types of vodka, and perhaps 20 newspapers. All the rest is wasted effort. Also, what was the purpose of all the yelling about "changing the hated regime," given that the same people, or quite similar types, continue to occupy posts in gminas and towns? What does it matter now that all this has a different name?

Capitalism did its job, even though it overdid it, and now it can simply go away. The stores are full of goods (even too full, which gets on people's nerves). We have passports at home now (but so what, if you cannot afford to go anywhere?) One can set up one's own private business (but will one have enough strength to face up to all the thieves and speculators?)

It is now time to reinstate everything we unnecessarily got rid of: vacations funded by state enterprises, which were almost free of charge (did anybody have a problem with that?), a job for everyone (that is self-explanatory), and, finally, simple equality in both earning money and drinking it away.

So may capitalism leave here whatever it has brought with it, and may it simply go back where it came from. May socialism come back (even under a different name), and may it remedy what capitalism did wrong. Then things will at last be wonderful.

Capitalism Was First

The Democratic Left Alliance [SLD] seems to be predicting exactly this kind of vision of the future. Politicians and economists for the party are aware, however, that a transplantation is not possible because its illusionary and misleading signs can only last until the entire illusion finally collapses. The "socialized capitalism" option found in Sweden and Australia will not be implementable in Poland for a long time to come. The reasons are, first, in those countries, they had it all in logical order—capitalism was first, to be followed by elements of a social-democratic civilization (Sweden) or simply a welfare state (Australia). Second, these countries are "a little" richer than we are.

Even in such countries, however, in a situation of economic crisis, it is precisely social achievements that are the first victims, and no attention is paid to "love of humanity" or any such thing once harsh market principles enter the picture. Unemployment is raging, vodka is expensive, and workplaces do not give you free vacations, either. [passage omitted]

Tragicomedy at the Back of the Stage

The old communists followed a principle they never breached: Never wash your dirty laundry in public. They surrounded power centers and other important places with a wall of secrecy, and no ignorant outsider could ever find out anything about the leaders' lives and mutual relations. People found out about conflicts only when some leaders had to make way for others or if the throne became vacant by natural causes. Former rulers became scapegoats for a while, the ritual of expressing anger and hatred took place publicly, and the entire evil was supposed to fade away along with the condemned official who was departing.

However, until such time that a real "settling of grievances" took place, the communists made every effort to help each other in the cover-up, regardless of the degree of ideological and personal dispute there might have been among them. They hugged and kissed each other in public, praised their colleagues' skills, and looked like a loving family.

The strategy was extraordinarily efficient.

I also think that the communists knew what they were doing, regardless of the intellectuals' demonstration of their contemptuous attitude toward this totalitarian fraud. "The people" allowed themselves to be tricked, and I think they also gradually became convinced that the mechanism is quite natural and that there is no reason to keep wondering about it.

The PRL training program, which lasted over 40 years, produced results. The Solidarity war at the top turned out to be a mistake, primarily a psychological one. All of a sudden, the theater of power made a 360-degree turn, showed the public what was going on backstage, and began acting out a tragicomedy before the eyes of the amazed public and in the name of "democratic truth." We could see machine operators arguing with stage managers, and actors, awaiting their turns, playing cards or engaging in skirmishes with make-up people, while the director kept running between the electricians and the sound engineers, shouting nervously to the effect that more light or sound would have to be applied in a moment, even though nobody really knew why.

Nobody knew what kind of play was being acted out or whether this was some sort of play at all, or whether this kind of performance, improvised to a large extent, could have resulted in a meaningful ending.

The new theater was not supposed to be that way.

People really go to the theater to feed themselves with illusions. One of the reasons the theater of cruelty was played by the communists for such a long time was that it managed to immediately obscure real measures with the fiction of illusions.

Also, the theater was supposed to be "normal," meaning that the stage was supposed to be here, and the audience would sit over there, and here is the play that will end somehow, not to mention the fact that everybody knew what the play was all about.

The postcommunists did not even have to promise that once they took power they would perform the play once again, and that is because the play continues to be rooted in the people's mentality, and it deceives and tempts them. The play is telling society that, over there, the rules of the game are clear, and there is no problem with understanding what is being acted out.

New Specters

Without a doubt, the elimination of the domestic attributes of the lack of freedom after 1989 served the intellectuals more than the rest. Censorship, passport offices, political police, party hierarchies of values in areas requiring objectivity, such as science and education—the disappearance of all that was like removing a cataract from somebody's eye.

The removal of the cover, however, was of no value to people who never had a reason to come in touch with these bizarre attributes of the pseudocivilized world. However, to follow freedom, which, let us admit, was only for the chosen few, there came liberty, which was less specific and also measurable....

The liberty was primarily about being freed from many popular inconveniences, fears, and idiotic things. To live in liberty meant to be able to do anything and have the sense of wide-reaching impunity.

To the intellectuals who ruled Poland for the first four years of the Third Republic, the problem of freedom seemed to be settled, while the problem of liberty, in cases where it was abused, should have been up to the prison system to handle. To a different segment of society, which was not marginal at all, the recently gained liberty was a prelude to complete and total abuse of the legal system, moral rules, and the remaining principles of coexistence among human beings.

The remaining part of society, meaning the majority, felt afraid again. This time it was the fear of the consequences of both freedom of the intellectuals and liberty of the speculators. In the view of the majority, the freedom of the intellectuals has lead to complete political chaos, social inequality, and impersonal and wild rules of the market being in operation (manufacturers' capitalism, which was taught during socialist economics classes). The liberty of speculators, in turn, has lead to the fear of living among fellow human beings who can be separated into speculators (those who gamble on the

stock market), thieves (those who have workshops and villas), and gunmen (those who are said to be members of the Mafia).

The postcommunist parties did not promise money for everybody or a return of the Citizens' Militia, which applied brutal force for no reason, or the nationalization of villas found near workshops. The popular disappointment that did occur was enough: There was supposed to be no fear or lack of freedom, but, actually, they are still here, often in other, more dangerous forms.

Long-Trained-for Habits

None of the above means that, first of all, socialism is better than capitalism, or that, just as the postcommunist parties did, it is enough to wait a period of time to have it one's way in the end.

Keeping conflicts within the governing team a secret from society is no longer possible because democracy is based precisely on, among other things, the openness of politics. Even the SLD is not succeeding in that. Apart from the Polish Peasant Party, the SLD seems to be the only party that is completely aware of the psychological (meaning "political") advantage to be gained from keeping conflicts secret. Differences of views between Kwasniewski and Miller do not cement the party—on the contrary. It would be a good thing, however, to draw conclusions from the lesson. The strategy applied by the former communists, regardless of the moral implications resulting from their rules, had a deep and thought-through plan behind it. Also, it was a strictly pragmatic plan. It is worth keeping all of that in mind nowadays, when we deal with a society that was trained using that model over a long period of time. The duration of collective habits is longer than intellectuals raised on Tocqueville (*Democracy in America*) or Popper (*The Open Society and Its Enemies*) would care to admit.

Professor Wnuk-Lipinski regards poor information policies as one of the primary "sins" of the post-Solidarity camp. This is not the first time the accusation has been levied, and Wnuk-Lipinski is not the only person to have done so. Contrary to some appearances of being an obvious truth, however, the accusation is perhaps true but actually really incorrect, primarily because it is internally self-contradictory. [sentence as published]

As Prof. Lipinski writes, in Western countries, "introduction of even the smallest changes into rules of public life (the professor cites the example of introducing the obligatory use of seat belts in cars) is preceded by an explanation campaign going on for months. (...) In Poland's case, however, almost all rules of public life were radically changed but without a massive information and explanation campaign preceding them."

The truth is that there was some campaign, but it must be said it was not very intensive, and it was largely inefficient. Also, given that in countries with an ordered structure of social and economic life, every, even "the smallest," change is preceded for the sake of efficiency by a "campaign going on for months," how much time would have to be spent on an efficiency-guaranteeing campaign accompanying many basic changes happening at the same time? If one were to follow the professor's reasoning, such a campaign would take years, perhaps even decades. Then, too, if the campaign were to be implemented by politicians and scientists who design and implement such changes, which would have to happen given the absence of an army of experts who would be able to do the explaining and commenting job right away, what chances would they have of doing the job well?

Unfortunately, Leszek Balcerowicz was right when he said in an interview that, at that point, he preferred to act rather than talk because he had a feeling that he would not have enough time to carry out even the restructuring of the economy itself. Political fights continued all the time, however—over power, the mass media, or the concept of the future.

Time for the Grand Explanation

In my view, if the political opposition is ready to accomplish anything in today's Poland, it would be to finalize the work of the Grand Explanation, which was begun only to a very small extent and which up to now has been chaotic and accidental. Now is the right time for that; it could be a long time into the future, and it has been generously given to us by the victorious left wing. It is time to cast aside disputes over posts, personal ambitions, and pride. We can begin an "explanation campaign" that would go on not "for months" but even for years, in which the PRL story will be told once again: What kind of creature was it really (including all of its positive and negative traits)? It would also be a good thing if the story were not told in the language of "raison d'etat rhetoric."

The crazy period of 1989-93 should be told once again, without emotion. The point is not for politicians to tell us about their "sins"; that should be their own business. What is more important is to explain to people, people who did not understand anything of what was going on or who understood very little of it, what the necessary reforms were all about and why it is so important that their legacy not be wasted. And what are the differences between the communist theater of ruthless puppets and the Shakespeare-type world/theater, where everybody plays his own role on his own account? Also, what is the difference between freedom and liberty? And so on, and so forth.

It is a method of political fighting that is perhaps not very spectacular and is definitely more labor-intensive. Its immediate effects would not be felt, either. It is that method, however, that will perhaps be the biggest contribution to taking control over the biggest demon of current societies: fear of life, which makes people resort to old habits and well-accustomed rules. You know what they say: Knowledge is the sister of courage.

Foreign Ministry Spokesman on Role of Home Army

LD1907162694 Warsaw PAP in Polish 1256 GMT 19 Jul 94

[Text] Warsaw, 19 July—The actions of the Home Army [Armia Krajowa—AK] undertaken in defense of independence, on whatever territory that took place, were directed solely against the Hitlerite occupier. "It is not possible to suggest that they had any other character," PAP was told today by Wladyslaw Klaczynski, the director of the Press and Information Department of the Foreign Affairs Ministry, when asked to comment on the statement on the subject of the AK adopted by the Lithuanian Seimas on Monday.

In the statement, anguish is expressed on account of the recent commemorations of the anniversary of Operation Ostra Brama in Vilnius. There is also to be found there the opinion that "terror in relation to the Lithuanian populace and sometimes also their murder, which the Home Army more than once allowed itself, ought to be condemned by Poland and the world community." In the document, it is also stated that the participation of the ambassador of the Polish Republic in the ceremonies on the occasion of the "occupation of Vilnius" will not influence an improvement in Polish-Lithuanian relations.

Klaczynski stressed that Poland judges especially highly the role of the AK in the struggle for independence, to which fact the highest authorities of the Polish Republic have given expression more than once.

"We are saddened by the fact that there are milieux in Lithuania that cast doubt on this high evaluation of the AK. It is, on the other hand, pleasing that voices and texts do appear calling for a calm, just, historically correct evaluation of the AK," said Klaczynski.

Czech Economic Reform, Successes Viewed

94EP0074A Warsaw GAZETA WYBORCZA in Polish 17 Jun 94 p 9

[Article by Waldemar Kuczynski, minister of privatization under PM Tadeusz Mazowiecki: "Czech Puzzles: Our Southern Neighbors Impress the World with Their Economic Performance. However, Waldemar Kuczynski Believes It To Be 'Unusually Idealized'"]

[Text] Czech economy is an example to be emulated, according to Polish commentators of both rightist and leftist persuasions, as well as to some Western experts. Probably the Czech prime minister alone does not cite it as an example to anybody because he believes that no one else could pursue an equally good economic policy.

Most often, the Czechs are being praised for their low inflation, virtual absence of unemployment, a balanced budget, voucher-based privatization, and, in general, because they patiently support the procapitalist policy of Klaus.

To me, the Czech economy is the most puzzling and least understandable economy in Central Europe. I do not in the least intend to slight our Czech neighbors. They display character traits we could envy and that make them an extremely dangerous economic competitor.

I suspect, however, that what are considered to be the greatest accomplishments of Klaus's road to capitalism are to some extent seeming and sporadic ones, owing to the postponement of the more difficult decisions or to a combination of exceptionally favorable circumstances rather than to strenuous and consistent efforts. Or, too, they may be prematurely trumpeting successes.

One such premature trumpeting of success is the voucher-based privatization. The distribution of vouchers or even their placement in investment funds is not enough to ensure success. Perhaps this may be a success, but that will be seen later, after the effects of the operations with these funds at the enterprises in which they were invested become tangible.

Leaving this issue in abeyance for the time being, let me explore certain other puzzling nooks and crannies of the economy of our southern neighbor, even if I cannot promise to provide a full explanation of the mysteries. I offer hypotheses and may be wrong, but what concerns me is to encourage closer scrutiny of the Czech experience because it is being unusually idealized, in my opinion.

The Eye of the Recession

As regards the extent and duration of its recession, the Czech Republic does not deviate from the level of all of the other postcommunist countries. The GDP on the Vltava River plummeted 21 percent compared with the year 1989, as in Hungary, and much more deeply than in Poland (a 15-percent decline). To the Czech Republic, last year was another recession year because its industrial output dropped (by 7.4 percent), whereas in Hungary it increased (by 4 percent), and in Poland it rose even more steeply (by 7.4 percent).

In terms of its duration since the onset of the reforms (Poland in 1989, the Czech Republic and Hungary in 1990), the Czech recession has been the most extensive and the longest lasting on the scale of these three countries. This is no secret, and it is nothing to boast about. It is worth noting that many forecasts of the Czech recession proved wrong because they were too optimistic. In contrast, many forecasts of the Polish recession proved wrong for a converse reason, having been too pessimistic.

This is an example of how preconceived assessments influence the results of economic calculations. Even so, the Czech Republic is undoubtedly one of the three postcommunist countries that lead in overcoming the economic freefall that is inevitably experienced by any country emerging from communism.

Unemployed Wives and Pensioners

The first puzzle concerns employment and joblessness. Between the years 1991 and 1993, average employment in the Czech Republic fell by 884,000 (21 percent) and probably more, considering that, in 1992, employment statistics were compiled for firms with upward of 25 employees each, whereas previously they were compiled only for firms with upward of 100 employees each.

This is a huge decline, twice as steep in proportion to overall employment as in Poland. During the same period, unemployment in our country increased by 734,000. Yet, instead of increasing, registered unemployment in the Czech Republic decreased by 37,000—that is, it dropped from 4.1 percent to 3.5 in proportion to overall employment.

The Czech Republic was the sole member of the "Visegrad Four" [Poland, Czech Republic, Slovakia, Hungary], in which the relationship between layoffs and joblessness was fabulously irrational: An increase in layoffs led to a decrease in joblessness. In Poland and Hungary, the decline in employment was accompanied by an increase in joblessness. To be sure, in the Czech Republic, that unusual phenomenon lasted only in 1992, but it sufficed for a statistical "halt" to the preceding rise in unemployment and even for its subsequent decline, such that the 4.1-percent unemployment in 1991 dropped half a year later to a level of 2.6 percent, which amazed foreigners. In 1993, however, the laws of mathematics began once again to govern in the Czech Republic, and, as in other countries, a decline of 132,000 in employment was accompanied by an increase of 50,000 in joblessness.

Despite this return to normalcy, the Czech Republic is a country with a drastic disproportion between an extremely steep decline in employment and an extremely low level of registered unemployment. I believe that this phenomenon can be explained as follows: The Czech Republic has long been a country of demographic stagnation, and, hence, the growth of the labor force there has been minimal. However, its wasteful and profligate socialist economy continually needed new manpower in order to grow. As a result, a huge number of retirement-age people had been kept working in that country.

In 1989, just before the onset of the reforms, of a retirement-age population of 2 million, 600,000 kept working. A large proportion of women also worked. Since then, 1.2 million people retired or withdrew, but only 15 percent of them registered with employment offices. The remainder are certainly receiving either old-age pensions or other forms of entitlement.

Thus, as regards the actual surplus manpower laid off in the course of transition from communism to a market economy, the situation in the Czech Republic is much more similar to that of the other countries of the Visegrad Four than it might seem from a comparison of official unemployment indicators. That is very good because it points to the adaptation of employment to the scale of economic activity.

Were the official unemployment indicator accurate, it would mean that, despite a 20-percent decline in output compared with 1991, employment has hardly changed. And that would point to a horrendous decline in the productivity and competitiveness of the Czech economy. Thus, if the official Czech unemployment indicator is considered in this light, it has to be viewed not as a success of Klaus's policy but as one of its main flaws.

The Fading Success

Another accomplishment of that policy is thought to be the low inflation rate and is a fact. With time, however, this accomplishment is paling. For example, when we compare the Polish and Czech inflation rates, they turn out to be increasingly similar. In 1992, our inflation was 43 percent, compared with 11 percent for the Czechs; last year our prices rose by 35 percent and Czech prices by 22 percent.

This happened because Polish inflation has been steadily declining while Czech inflation resurged last year. I do not claim that this trend will continue, but I do not preclude it. There exist the possibilities for a lowering of inflation in Poland, and reasons for its rise in the Czech Republic. At any rate, nowadays there is no gulf between our and their inflation rates, and the day when Polish inflation falls below its Czech counterpart will certainly receive great publicity in Central Europe, and not only there.

Czech inflation is, moreover, somewhat suspect. For example, we read in reports from Prague that the increase in the prices of Favorit cars with mandatory catalytic converters was not included in the figures on price rises last October, so that the official inflation indicator for that month, 1.1 percent, should have been 1.4 percent—that is, substantially more. One could thus question the credibility of the official inflation indicator.

It also is known that, in the Czech Republic, the introduction of realistic prices of fuel, energy, central heating, hot water, and housing rent has been much slower than in Poland, and these domains continue to be largely subsidized from the Czech state budget. Yet the principal source of inflation in Poland in recent years has been precisely the introduction of realistic prices in these domains. In the end, however, the Czechs will have to do what we already have accomplished, to a large extent. I thus believe that the Czech inflationary curve is, so to speak, deferred.

The Gold of Golden Prague

The separation of the Czech Republic from Slovakia as reflected in the statistics since 1993 has seemingly improved the Czech position in foreign trade. Since 1993, shipments to Slovakia have become exports, and, from Slovakia, imports. For this reason, the share of foreign trade in the GDP has increased markedly, which looks like a spectacular improvement in flexibility of trade but has nothing in common with it. Moreover, owing to the considerable surplus in trade with Slovakia,

reckoned in Czech korunas, the balance of foreign trade in the national currency has been positive (but negative in terms of dollars).

Similarly, the spectacular growth in foreign-exchange reserves (to $3.710 billion, according to estimates, at year-end from $1.194 billion at the end of the first quarter of 1993) cannot be unambiguously considered a plus. Trade and tourism balances are such as to preclude considering these funds as earned. They probably derive from capital influx, credits, and foreign loans, as demonstrated by the rise in the Czech debt to $8.8 billion at year-end, from $7.4 billion at the end of the first quarter of 1993. In terms of exports, the Czechs owe much less than we do, but, in proportion to the size of population, our debt is not that much greater.

The figures speak. Thus, since 1990, Czechoslovakia, and the Czech Republic since 1993, has had a negative balance of trade, meaning that it imported more than it exported. The deficit amounted to $785 million in 1990, $447 million the following year, and as much as $1.575 billion in the last year of Czechoslovakia's existence. Last year, the trade deficit of the Czech Republic amounted to nearly $500 million. But, at the same time, its net earnings from tourism amounted to $1.032 billion.

The income from tourism more than balanced the trade deficit, and, as a result, the Czech Republic had a positive current balance of trade. If we want to attain similar status, we would have to be visited by 4.5 times as many tourists as at present.

As for debt, when their communism collapsed, the Czechs had it much better than Poland. They had no foreign debt because they avoided "Gierek's prosperity on credit." The country had no domestic debt, either, because Czechs did not travel abroad and did not bring in dollars, which the communist governments in Poland seized from bank accounts and spent, bequeathing the problem of repaying these dollars to Solidarity governments.

Thus, the Czech Government was in the position to borrow money, and its debt, including domestic debt, has been growing because, from the outset of the reforms, Czechoslovakia has had a budget deficit, even though on a much smaller scale than Poland.

Last year's Czech budget surplus was probably due to the separation from Slovakia rather than to something earned. That surplus, initially amounting to 10 billion korunas, melted by year-end to 1.1. billion because, already beginning with the second quarter, it became a deficit budget. Yet it is a fact that the state of public finance on the Vltava is better than on the Vistula.

A Cushioned Transition to Capitalism

Summing up, owing to its low indebtedness at the time of the collapse of communism, to tourism, and to its "bourgeois nature" known throughout Europe, the Czech Republic has been progressing toward capitalism through a rose garden, with the thorns concealed.

Thanks to the influx of capital, new credits, loans (bond issues on the international markets), and income from tourism, it is possible to postpone the necessary adaptation decisions in both macroeconomic policy and at the level of enterprises. As a result, also, it is possible to maintain the negative balance of trade—that is, to import more than to export.

In this way, I believe it is possible to maintain a market equilibrium with stable prices while at the same time retaining many social-protection elements of the old system, along with real wages, at a higher level than might ensue from the decline in output. In the Czech Republic, despite the much steeper decline in industrial output than in Poland and a comparable decline in farm output, real wages in the first three years of the reform decreased by 14.3 percent compared with 25 percent in Poland.

Should that cushion continue, our southern neighbor will be fortunate, but, should it fizzle out, which is more likely, things will get worse. And then, at that moment of truth, the currently concealed visage of the land on the Vltava, where leftist leanings and influences have always been strong, may reveal itself.

It is highly characteristic that, despite many quite leftist accents of Vaclav Klaus's economic policy, as many as 36 percent of Czech respondents in a recently published survey (GAZETA WYBORCZA of 14 March) were opposed to a free-market economy, whereas, in Poland, 24 percent were opposed and, in Hungary, 25 percent.

Nigerian Offers of Money Laundering Viewed

94P20993A Warsaw GAZETA BANKOWA in Polish No 27, 2 Jul 94 p 5

[Article by Jan Kreft: "Lucrative Propositions; Polish Firms Receive Tempting Offers To 'Launder Money'"]

[Text] On the Baltic coast, a group of people from Nigeria wanted to "launder" $57 million. This is not the first such occurrence. Three years ago, one of the firms in the Gdynia-Sopot-Gdansk aggregate was approached about the possibility of "laundering" 28 million pounds sterling.

"We are establishing this contact after having received satisfactory information from the Ministry of Trade. This information provided a profile and revealed the sincerity of your enterprise (...)," wrote the senders of the letter. "We are consultants in the Ministry of Construction of Nigeria. Our obligation is to appraise, research, and confirm enormous payments for contracts, which were paid by the ministry. We have at our disposal $18.4 million. This money comes from a contract, but it cannot be paid on state accounts because of the need to maintain security. A safe solution to this problem for us is the immediate transfer of this money to the accounts of a

foreign bank. We would be very grateful if you would come to our aid by sending us all the necessary particulars, state or enterprise. We are counting on banking data: the name of the bank, the address, the account number, the name of the banker, the sorting code, the bank's telex, phone and fax numbers. In addition, we request the office and private phone, fax, and telex numbers.

"We would agree to divide the shares in such a manner that my friends and I receive 67 percent (in other words $12.3 million), while you receive 31 percent—that is, $6.1 million. Please understand well: Two percent will remain as the banking fee associated with servicing the funds and your local and international expenses.

"After we receive the information requested by us, we will give the permission of our ministry and the recommendation of the Federal Ministry of Finances and Central Banking of Nigeria to shift the currencies to the account of your enterprise and an immediate transfer. Because of the political situation in my country (no one knows what might happen regarding his position in the administration), the operation proposed by us will take about nine or 10 days before the money reaches your account."

Written in mannered English, this proposition is a demand to immediately send bank details only under the indicated telephone and fax numbers. Courier services do not enter the picture—as is stipulated by the sender of this proposition. "To maintain secrecy, call within nine or 10 days of the initiation of this business. We will inform you of developments via your phone and fax."

Abundant Oil

Another of the Nigerian functionaries is very generous.

"We are ministerial officials: I and others. We work in cooperation with the director of a corporation (an oil company) (...) The contract was completely realized and paid for, but 'there was left over' $39.016 million. We would like to use some of this money to import your products into Nigeria. The cooperation that we are looking for is the transfer of this overdue money to a bank account supplied by you. We cannot do this in Nigeria without foreign assistance. If this offer interests you, we would agree to give you a 30-percent commission, or $11.7 million. Irrespective of this, we are also including almost $4 million for expenses that may occur during the transfer of this money. A certain portion of the remaining 60 percent we will use for the import of your products. The rest may be held for any other further investments, which you can advise us about. When the money reaches your account, we will meet face to face in order to determine how we could relinquish [zrezygnowacj government services for private business."

Laundering Dirties

The law governing Polish banks forbids the acceptance of large amounts of money without documentation of the money's origin. Banks are required to identify the client and to retain this information, along with the accounting documents, for five years, if the banking operation was valued at more than 200 million zlotys.

It is estimated that $600-800 billion are laundered every year. In June 1980, the Council of Europe enjoined its members to do battle with money laundering and also established the so-called Pompidou Group (composed of 16 countries, members of the Council of Europe) to adapt and work out regulations of a criminal law that would, among other things, outlaw money laundering. The convention was ready on 8 November 1990. The crime of money laundering was defined as: "the conversion or transfer of property, with the knowledge that it consists of earnings, for the purpose of concealing or covering the illegal source of this property or of providing aid to any person who is engaged in committing such a crime, in order that that person my avoid the legal consequences of his or her actions."

Government To Participate in Middle East Peace

AU2007141094 Bucharest Radio Romania Network in Romanian 1000 GMT 20 Jul 94

[Text] Today, during the weekly news conference of the Romanian Foreign Affairs Ministry, spokesman Mircea Geoana announced that Romania has been admitted to the multilateral negotiations held within the Middle East peace process. The decision was taken by the Steering Committee of these negotiations. Our country will attend the debates of the working groups on regional economic cooperation, water resources, environment, and the situation of refugees.

With the aim of concretely engaging our country in certain economic and social projects in the autonomous Palestinian territories of Gaza and Jericho, Romania's Government has endorsed the setting up of an interministerial committee, coordinated by the Foreign Ministry, to examine adequate ways in which Romanian companies interested in such projects can participate, says our correspondent Eugen Baboi.

PRC's Li Peng Toasts Iliescu at Dinner

AU2007075394 Bucharest DIMINEATA SUPPLEMENT in Romanian 16 Jul 94 p 1, 4

[Toast given by Li Peng, prime minister of the PRC State Council, at official dinner given in his honor by Romanian President Ion Iliescu, in Bucharest on 11 Jul]

[Text] Esteemed Mr. President Ion Iliescu,

Ladies, gentlemen, and friends,

Answering the kind invitation addressed to me by President Ion Iliescu and Prime Minister Nicolae Vacaroiu, I arrived on a visit to friendly Romania. The moment we set foot on the picturesque soil of Romania, we were extended a warm reception and experienced the hospitable Romanian people's sentiments of profound friendship for the Chinese people. I sincerely thank you for this grand banquet offered by President Ion Iliescu in our honor and for the president's warm toast.

Romania is a country with a millennium-old history and ancient culture and the Romanians are a hardworking and wise people.

At this time, Romania is going through a process of deep-going transformation. We note with satisfaction that the Romanian people are making steady efforts to promote their social and economic progress, by taking into consideration the concrete conditions prevailing in your country. At an international level, Romania is playing an active role in the maintenance of regional and global peace and stability. We wholeheartedly wish the Romanian people to obtain further new successes.

China has been promoting a policy of reform and opening since the end of the seventies, by focusing its efforts on economic development. In the past 15 years, the country's social productivity has registered a fast development; the country's strength has ceaselessly grown and the living standard of the urban and rural population has substantially increased. At this moment, we are taking steps further to deepen the process of reform and to expand the area of our opening, so as to ensure that our efforts continue to yield results. At the external level—by firmly and consistently promoting a foreign policy of peace, independence, and self-determination—China wants to establish and develop relations of friendship and cooperation with all countries in the world, on the basis of the five principles of peaceful coexistence. China is and will remain an element of peace, stability, and development. The Chinese nation wants further to contribute, along with the world's peoples, including the Romanian one, to safeguarding world peace and achieving our common progress.

China and Romania are situated on different continents, but, for several decades now, the two countries and peoples have maintained relations of friendship which have resisted the various tests they were subjected to during the changes that have occurred on the international plane, thus proving their great vigor. In recent years, the relations of friendship and cooperation between the two countries have further strengthened and developed in many spheres. President Ion Iliescu has successfully paid two visits to China, thus making an important contribution to the development of the bilateral relations in the new conditions. The Chinese people particularly cherish the friendship with the Romanian people. The further consolidation of the bilateral relations of mutually advantageous cooperation in all spheres between the two countries—on the basis of the five principles of peaceful coexistence—is an unflinching policy of the Chinese Government. I have the firm conviction that, through the joint efforts of both sides, the relations of friendship and cooperation between China and Romania will register a lasting, constant, and healthy development.

The East European region to which Romania belongs is an important region. In recent years, the situation in the region has registered great changes. We note with satisfaction that the relations of friendship and cooperation between China and the countries in this region are further developing and expanding on new bases. There are no fundamental conflicts of interest between China and the countries in Eastern Europe and the development of relations of friendship and cooperation among them is to the benefit of each nation as well as of peace, stability, and development in your region. The Chinese Government is paying particular attention to developing ties with the East European countries. On this occasion, I would like to reiterate China's basic position vis-a-vis the countries in Eastern Europe, namely:

1) Respect for each nation's choices and noninterference in the domestic affairs of other states—China believes that the countries in Eastern Europe, like the other countries in the world, have the right to choose solely

and independently their social system, concept values, and development path, in accordance with the concrete conditions prevailing in each respective country. We are convinced that the countries and nations of Eastern Europe are capable and wise enough to settle their own affairs.

2) Development of traditional friendship and peaceful and friendly coexistence—The Chinese people nurture sentiments of profound friendship toward the East European nations. China wants to develop equal relations of friendship and cooperation with all the East European countries, on the basis of the five principles of peaceful coexistence. We are not seeking to promote any personal interests in the East European region. The development of our relations with the East European countries is not to the detriment of any third country. Regardless of the future international evolution, China's policy of developing friendly relations with the East European countries will not change.

3) Strengthening mutually advantageous cooperation and achieving common progress and prosperity—The economic and trade cooperation between China and the East European countries has a good tradition and basis. By exploiting each side's advantages, mutually complementing each other, making use of opportunities, and improving our cooperation, we could achieve great things. The Chinese Government, together with the governments of the East European countries, wants to encourage enterprises on both sides to develop mutually advantageous economic and trade exchanges, by taking into account the law of the market economy and by further raising the quality and level of economic and trade exchanges.

4) Backing initiatives for the peaceful settlement of differences and making contributions to regional stability—China desires from the bottom of its heart that the East European region should enjoy peace and stability. It also desires that the independence, sovereignty, and territorial integrity of all countries should be observed and that differences pertaining to matters of history, nationality, religion, territory, and so forth should be resolved through friendly and peaceful negotiations. China hopes that all countries in the region can live in good neighborliness, since this is to the benefit of the progress of each country in the region. We nurture sentiments of profound sorrow for the disaster and losses caused by the conflicts in the area of former Yugoslavia to the involved parties as well as to the neighboring countries, and we sincerely hope that the respective sides will find just, equitable, and lasting solutions acceptable to all parties. These solutions should be achieved through peaceful negotiations, which should take into consideration the basic interests of all sides. Together with the international community, China will make its contribution to speedily eliminating the conflicts and restoring peace in the area of former Yugoslavia.

Ladies, gentlemen, and friends,

Today we had friendly talks with Mr. President Ion Iliescu and Mr. Prime Minister Nicolae Vacaroiu. On these occasions, we exchanged views on the further development of the relations between our countries and on matters of mutual interests. Our talks were most fruitful. I am convinced that the visit I am paying to Romania will further contribute to improving our mutual knowledge, deepening our friendship, and stimulating our bilateral cooperation.

Now, I would like to toast the prosperity and flourishing of Romania, the Romanian people's happiness, the further development of the relations of friendship and cooperation between China and Romania, the friendship between the Chinese and Romanian peoples, the health of His Excellency, Mr. President Ion Iliescu, and the health of all our friends present here.

Cheers!

Nastase Views Agenda, Results of Visit to Tehran

AU1907130494 Bucharest Radio Romania Network in Romanian 1000 GMT 19 Jul 94

[Text] At the Metropolitan Hill headquarters of the Chamber of Deputies, a news conference was held today by the members of the Romanian parliamentarian delegation who paid an official visit to the Islamic Republic of Iran on 15-18 July.

Chamber of Deputies Speaker Adrian Nastase, who headed the delegation, told the correspondents that the visit to Iran represents a new stage in bilateral relations, as this was the first time that contact was established at the parliamentary level.

During the visit, Nastase said, the Romanian parliamentary delegation was received by Iranian President 'Ali Akbar Hashemi- Rafsanjani. Bilateral relations, the evolution of the economic and political situation in Iran and Romania, and the situation in Bosnia-Herzegovina and the Middle East were discussed. The delegation was also received by Iranian Parliament Speaker 'Ali Akbar Ateq-Nuri, with whom they viewed the organization, activity, and role of the two parliaments, as well as issues related to ethnic and religious minorities.

Meetings were also held with Foreign Affairs Minister 'Ali Akbar Velayati and the heavy industries minister.

According to Speaker Nastase, the Romanian parliamentary delegation also held meetings at the Chamber of Commerce, met with Iranian businessmen as well as members of the Iran-Romanian Friendship Parliamentary Group, and paid a visit to the city of Esfahan. During talks held with the governor of that province, they examined the possibility of involving certain Romanian companies in the economic development of that region.

Our relations with Iran have to be very pragmatic, and we will have to reconsider the tradition of our economic relations with Iran, added Nastase, after which he

pointed out that, despite the difficulty regarding Iran's payments to Romania for debts totalling $46 million, as a result of the Tehran talks, they obtained the deblocking of a certain amount and they agreed that a group of experts should establish further ways to settle the issue.

SRI Report Seen as Iliescu Campaign Tactic

AU1907182094 Bucharest ADEVARUL in Romanian 13 Jul 94 p 1

[Cristian Tudor Popescu commentary: "The Image Graft"]

[Text] Motto: "History is a political science"—Nicolae Ceausescu.

"History is the mother of truth," Miguel de Cervantes wrote rhetorically and quite flatly. "History is the mother of truth," Luis Borges wrote centuries later, thrilling us by the depth of his assertion: Truth does not create history—it is rather the other way round.

I do not know whether Mr. Ceausescu has read any Borges, but Mr. Magureanu [director of the Romanian Intelligence Service—SRI] most certainly studied his works prior to his setting out on the elaboration of the 1989 events for the SRI report. The past, the way it really happened, is as important for the outcome as the clay used for the superb statue that comes out in the end. "Nothing new there," exclaimed the people who used to be on both sides of the barricades, after having read the report; their discontent stems from the fact that they had expected novelties about the past, whereas the whole purpose of the report is actually firmly anchored in the present, along two seemingly contradictory principal ideas:

a) "The fact that this hot end of December, which put an end to the totalitarian regime in our country, belongs, regarding its fundamental reasons, to the Romanian people, is a truth beyond any doubt whatsoever."

b) "However, the manifestation of certain foreign interests is also a fact that can be proven."

This is the pair of contradicting concepts that caused the dilemma of the authors: They could not refute the character of popular revolt of the December events, because that represents the foundation of the legitimacy of the current rulers. Of course, the persons who at that time took to the streets may now be ridiculed, insulted, threatened, and called traitors, if meanwhile they have not died or have not been purely and simply forgotten, but the precious idea of the uprising of the masses has to persist. On the other hand, one should not forget the fact that the great majority of the population participated in the revolution via the TVLR [Free Romanian Television]. After 22 December many people guarded the entrance to their blocks of flats armed with clubs to protect them from the attacks of the so-called "terrorists." Later on, some of them might have felt embarrassed, deep down in their souls, until the aforementioned point b) came to their rescue by proving that they were right. "We do not affirm, but we say"—this is the ambiguous tone to be noted throughout the report, in which, by means of perfectly mastered methods the emphasis is shifted from the internal conflict to a heroic general struggle against an obscure external force, on the verge of smashing Romania into smithereens. The great number of "Soviet-Hungarian-Mossad" tourists who came across Romania's borders in December 1989 is used as a preamble, according to the rules of any good thriller, to build up suspense, so that later the invisible but terrible "terrorists" can make their entrance onto the scene. The camera then focuses yet again on another issue, namely the question: Who were those "terrorists," after all? The response to that is merely interesting as an anecdote, because regardless of whether their names were Kolya, or Muhammad, or Istvan, or Gheorghe, the essential question remains: "Whose interests did they serve by doing what they did?" Of course, if one has certain doubts about the hypothesis that they wanted to conquer Romania by force of arms...

As to the paperback-quality level of the SRI "investigations," there are many journalists who could have penetrated much deeper into the subject; actually there are several who also did so. Nevertheless, that quality should not surprise one, considering especially the fact that after such a long time of "morally- grounded" dallying, suddenly they picked this moment to go public with the document. In this case one would be able to judge the report at its true value, namely as an electoral campaign product made by professionals. The difficulty to accomplish the image graft and the perfection with which it was still achieved are both remarkable. Recently President Iliescu's popularity has obviously dropped. Nevertheless, the votes he has been losing are not gained by our pitiful opposition, but rather by his all-time competitor, Nicolae Ceausescu, a fact which actually fits the current general atmosphere throughout Eastern Europe—with the only exception that in Poland, Hungary, Ukraine, or Belarus there was no bloodshed which needs to be covered up in this way. A substantial part of the SRI report actually confirms Nicolae Ceausescu's claims about "spy agencies" and "the coup carried out with assistance from abroad." However, the final conclusion of the report is intended to sound like this: "During those December days Romania was really in great danger coming both from abroad and—note this!—from the inside; Ceausescu found out about it and therefore he was killed. Nevertheless, Iliescu stepped in and saved the country." The implantation of this image of Iliescu's as the worthy follower of our "beloved father" into the subconscious of the electors to regain the votes which otherwise would have been lost resembles a history and media fine-touch surgical operation done on a mine field—as Iliescu genuinely hated Ceausescu—which deserves all our admiration.

And which also stands very good chances to succeed.

Commission Set Up To Examine Cluj Excavations

AU1207185494 Bucharest Radio Romania Network in Romanian 1700 GMT 12 Jul 94

[Text] Today, on orders of the minister of culture [Marin Sorescu] a commission was set up to establish the opportuneness and scientific importance of the planned archaeological works in Union Square in the Municipality of Cluj.

The panel is to inform the leadership of the Ministry of Culture by 21 July on the results of their analysis carried out on the spot and elaborate concrete proposals of a scientific nature, related to the archaeological and historical site in Union Square in the Municipality of Cluj and the archaeological works planned by the National History Museum of Transylvania, informs ROMPRES.

Initiative Hailed

AU1807192194 Bucharest EVENIMENTUL ZILEI in Romanian 14 Jul 94 p 1

[Editorial by Ion Cristoiu: "Applause for the Government"]

[Text] Why did Gheorghe Funar [mayor of Cluj-Napoca and president of the Romanian National Unity Party—PUNR] have the political interest to start archaeological excavations in Cluj? I was asking myself at the end of my previous editorial. The answer brings us to the place and role of the PUNR in Romania's social and political life. Just like the UDMR [Democratic Union of Hungarians in Romania], the PUNR thrives on the ethnic tension in Transylvania. Any lessening of this tension not only diminishes the importance of the PUNR, but might even endanger the existence of that party. Recently, one could notice a certain attenuation of the ethnic tension beyond the Carpathians. The new Hungarian Government, unlike the former one, seems determined to finally reach a state of normalization of Hungarian and Romanian relations. Its program is less bellicose than the program of the previous government as far as the fate of the Hungarian minority in Romania and neighboring countries is concerned. In addition, this government agrees to sign a treaty that would fulfill our country's wish, namely to include a statement of recognition of stable borders according to Paris Treaty of 1947. The pressure exercised in Romania on the UDMR by its CDR [Democratic Convention of Romania] partners were added to these changes abroad. Thus, appropriate conditions have been created for settling the situation in Transylvania. This fact was immediately reflected in the categorical drop of the place occupied by the PUNR in the latest electoral polls. The fact that the ethnic issue became of secondary importance and the scandal provoked by the Caritas [nationwide money-multiplying Ponzi scheme], led to this disquieting phenomenon for the PUNR and for Gheorghe Funar. Therefore, the Cluj mayor felt the need to concoct a way to again increase tension in Transylvania. He certainly knew that no matter how many promises he made that the statue of Matthias Corvinus would be protected, the Hungarians would see his archaeological initiative as a trick meant to seriously damage a historical and cultural symbol. That this is indeed so is shown also by the fact that a fierce anti-UDMR Hungarian ethnic, namely Gyozo Hajdu [Hungarian ethnic writer favored by Former President Nicolae Ceausescu], felt the need to take a stand against Gheorghe Funar's attitude. The calculations of the PUNR leader were simple. Suspicious as they are, the Hungarians will protest and will try to oppose the excavations. This is going to be a good opportunity to increase ethnic tension up to the limit of explosion and thus this will be a good opportunity for the PUNR and for Gheorghe Funar to return to the forefront. Even if we were to accept that this has not been the intentions of the Cluj mayor, the issue of excavations in Union Square still remains a political issue. This is indeed so, because, in politics, just as in life, the intentions are not important, but rather the way they are perceived. Thus, both the Hungarian ethnics and international public opinion perceived, or pretended to perceive, this Funar-type of intention as an attempt to seriously damage the cultural-historical traditions of Hungarians in Transylvania. And they acted accordingly. The Hungarians occupied the Union Square, determined to oppose by all means all attempts to start excavations. The international press took us to pieces. Prestigious dailies such as THE WASHINGTON POST and INTERNATIONAL HERALD TRIBUNE devoted full pages to the Cluj events.

Thus, the archaeological diggings in Cluj have become a serious political issue. At any moment, the tension provoked by them might turn into a bloody ethnic conflict, with all the almost unforeseeable consequences it might have on our internal stability, on Romania's image in the world, and on the unity of our national territory. The Romanian Government could not stay indifferent before such prospects. It would have been unforgivable blindness if it had not noticed the serious external and internal political implication of the Cluj excavations. And considering that, ultimately, Gheorghe Funar is not responsible for internal stability and Romania's image in the world, but the country's government itself is, the government intervened to halt the excavations, taking the risk of provoking the indignation of a party, that is of the PUNR, on which its parliamentary survival depends, but also certain that, through its communique, the Cluj bomb has been defused. At least for a while.

Funar Tactic Examined

AU1907085094 Bucharest ROMANIA LIBERA in Romanian 13 Jul 94 p 3

[Virgil Lazar article: "The Removal of UDMR Councillors Has Been Demanded"]

[Text] One may note that Gheorghe Funar and his supporters could not tolerate the Hungarians' acting to stop the archaeological excavations planned in the

Union Square of Cluj- Napoca. Therefore, they invented the extraordinary meeting of the Local Municipal Council, with the precise aim of settling accounts with the ethnic Hungarian councillors. That this is indeed the case was proved by one of the councillors during the meeting held on Monday [11 July] evening, who disclosed the fact that the new extraordinary meeting was convened on 7 July 1994 but the National History Museum of Transylvania—the subject of the discussions—was notified only on 11 July 1994. Although the chairman of the meeting, Councillor Nicole Ruja tried to hush things up, affirming that initially Mr. Gheorghe Lazarovici, the director of the museum was notified verbally, and that only at the request of the executive was he notified in writing, the case was absolutely clear. In fact, even councillor S. Gaina [PUNR] confirmed this, when he said that "Only a battle has been lost, not the war." Mrs. Speranta Coltea also made a blunder, fiercely attacking the Hungarian councillors because they participated in the 7 July events (the occupation of the Union Square). Others, surprised and astonished, were justifiably asking why Gheorghe Lazarovici, the director of the aforementioned museum, is turning to the local council, a body of the local administration, when he did not consider it necessary to ask its approval of his plans for a square that actually belongs to the public?!

Then the dispute followed, the Hungarian councillors claiming that they were defending the rule of law in the square, while the Romanians—representatives of nationalistic parties—accused them of violating the law. However, many councillors expressed the view that the local council should have adopted a decision regarding the excavations. Councillor Grigore Dejeu, a building engineer by profession, made a statement that confirms the fears of the Hungarians: "Looking at the sketches of the planned excavations and at the proposed dimensions, I can only tell you honestly that they endanger the property in the square." (the statue of Matthias Corvinus and mainly St. Michael's Church—editor's note). Another councillor, namely I. Socup, referring to the ditches, expressed his opinion that with their planned dimensions and depth, they will certainly make "all buildings around them collapse." Mr. Fred Nabadan (National Peasant Christian-Democratic Party—PNTCD) stressed that in this council one cannot communicate, because this was a dialogue of the "deaf" while Mr. Ion Vida-Simiti (PNTCD) reiterated the position of the councillors of this party, voiced also in a communique that said that it is not the right time for such excavations. Mr. Bogdan Cherchizan asked the PUNR again to move out of the headquarters of the Mayoralty because, he said, this was the source of the politicizing of the actions of the administration.

Gustav Heredi (UDMR) repeated the declaration according to which ditches of 30 meters in length, 4 meters width, and 6 meters depth will lead to the collapse of St. Michael's Church. In a vehement and intolerant manner, the PUNR councillors Eugen Pop, D. Iancu Sarachine and others, and certainly Gheorghe Funar, the mayor, claimed noisily that everything was legal and that the museum possesses all the necessary authorization and approval. Therefore, in the opinion of the "red parties" what really happened in the Union Square on 7 July was that UDMR instigated a violation of the law. In the end, Gheorghe Funar put into operation his voting machine, and obtained from the local council what we assume he wanted all along: approval to notify the prefect and have the UDMR councillors removed from office because those councillors were in the Union Square and participated in the 7 July events, where they were also fined by the police. He also demanded that the executive should be empowered to turn to the country's president, the prime minister, and the foreign minister with the request that they should forward a note of protest to the Hungarian Government against its interference in Romania's internal affairs through the declarations made about the Cluj events. Funar also demanded that a public declaration be adopted and disseminated through the press, condemning the attitude of the UDMR to stop the archaeological excavations and to allegedly misguide international public opinion... Once they were satisfied and had cooled down, the nationalist councillors left for home convinced that through their deed they had pleased their electorate.

However, nobody said a word about the fact that on 7 July there were many Romanians in the Union Square alongside the town's civic and cultural organizations, as well as others who also do not agree to excavations that endanger assets of great beauty in the town.

All this was not mentioned because the only goal of the extraordinary meeting was to settle accounts with the UDMR. And this is an act that can again aggravate interethnic relations in Cluj.

CDR Condemns 'Provocation'

AU1907190194 Bucharest ROMANIA LIBERA in Romanian 15 Jul 94 p 3

["Statement by the Democratic Convention of Romania Regarding the Tense Situation in Cluj"—"Diversion That Creates Artificial States of Conflict"—issued in Bucharest on 14 July]

[Text] In connection with the tensions caused by the prospect of excavations in the Central Square of Cluj-Napoca Municipality, here is the viewpoint of the Democratic Convention of Romania [CDR], as put forward in the personal statements of many figures and leaders of the CDR groupings:

1. The action of jeopardizing a long-standing urban ensemble of great stature and value for the history and architecture of the city of Cluj-Napoca is an attack against the cultural identity of this metropolis and the honor of the Cluj inhabitants. The center square, which is a symbol of the municipality's status as a center of great European opening and of cultural confluence and coexistence along the centuries, has became the target of

the attack of the city's mayor—who was elected to care for, not destroy the municipality he is heading. The square is an ensemble of monuments protected by the law and by the indestructible attachment of all Cluj inhabitants for the attestation of their long history carved in stone.

2. Any archaeological research must begin by taking precautions to avoid mutilating the history of the place in which it is being conducted and by carefully weighing the relationship between what is being destroyed and what is being brought to light. In the case of the research we are referring to, a confirmed cultural asset would have been affected, on the basis of some doubtful hypotheses, which are, to a certain degree, unconfirmed by previous researches in the region. Only a demolition masked by false pretenses of archaeological investigations can start with bulldozers and cranes—the most unsuitable instruments for a responsible archaeological excavation, but most suited for a criminal Ceausescu-like destruction. On the other hand, the blamable negligence shown toward the Roman remains in other parts of the city (in the Carolina Square, where they were left to rot) and the fact that an ancient workshop was buried in concrete during the raising of a monument dedicated to the Memorandum Supporters—let alone the removal of the Capitoline Wolf, the symbol of Latinity, which is now placed somewhere out of sight—prove once more the total indifference of the City Hall toward the idea and the documentary attestation of the Latin spirit in Cluj-Napoca.

3. The real goal of the provocation we are all witnessing is to sow dissent, which can divert the attention of the Cluj inhabitants and of the country from the true problems facing the city: poor administration, indifference toward the squalid and chaotic situation of one of the most beautiful, but also most neglected cities of the country. Moreover, as the leader of a political grouping that he has seriously compromised by becoming involved in the Caritas scandal, Mr. Funar felt the need to create a diversion, which can trigger off artificial states of conflict, exactly at a time when there are good chances for a notable improvement in the inter-ethnic relations and in our country's ties with Hungary.

All this noisy demagoguery is yet further proof of the lack of political responsibility of the PUNR leader and of those who continue to support him and give him a totally incommensurate importance, despite repeated proofs to the contrary. It is not the first time that the mayor of Cluj-Napoca Municipality has acted hastily and even compromised the party he leads, as well as its ideas and principles. It is not possible that a serious party should continue certain actions that jeopardize the country's internal stability and its international position. A repeat of this kind of irresponsible provocations can lead to an uncontrollable state of conflict at any time. The example of former Yugoslavia and the bloody confrontations in Bosnia obliges us to behave reasonably and to search for all possible means of dialogue and consensus. The CDR condemns with all firmness any political attitude designed to deepen the country's division and to irrationally and irresponsibly exploit latent animosities, regardless of whether they are of a cultural, political, or class nature. Determined to punish all violations of democracy through institutional means, the CDR, in its capacity as the opposition force, cannot tolerate arrogant, demolishing, and provoking attitudes that insult the entire community of Cluj inhabitants, Transylvania, and the country.

[signed] Emil Constantinescu, CDR president

Serbs Said To Accept Peace Plan 'Conditionally'

LD1907161094 Belgrade TANJUG Domestic Service in Serbo-Croatian 1527 GMT 19 Jul 94

[Text] Belgrade, 19 Jul (TANJUG)—In connection with the declaration of the Srpska republic assembly on the proposed peace plan, Serbian Democratic Party Chairman Zoran Djindjic has told TANJUG that "by conditionally accepting the Contact Group proposal, the Serb side has once again shown that it wants peace in the former Bosnia-Herzegovina to be restored."

"However, in order to see peace restored and war destruction halted, it is necessary that the international community offers the Serb side guarantees that sanctions against the Federal Republic of Yugoslavia will be immediately and unconditionally lifted, and that the territorial integrity of the Srpska republic will be preserved," Djindjic said.

According to him, constitutional principles are the most important part of the peace package as they have to secure the Srpska republic the possibility of being a state entity in some kind of confederation with the Federal Republic of Yugoslavia.

"If the international community really cares for peace and a just solution of the crisis in the former Bosnia-Herzegovina, it has to secure the same rights for the Serbs as those that have been granted to the Croats and Muslims. In this I primarily mean the right to self-determination, the right to their own state, and the right to have special relations with their parent state," the Democratic Party chairman said.

Buha Discusses Plan

AU1907143594 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 19 Jul 94

[Report by Branislav Bozic]

[Text] After a two-day debate on whether to accept the Contact Group's plan for Bosnia or not, the deputies of the Assembly of the Srpska republic adopted a declaration, the contents of which will be announced in Geneva. Lets us now hear Branislav Bozic, Belgrade Radio's special reporter from Pale:

[Bozic] The people's assembly of the Srpska republic has adopted a declaration, which is in the envelope that will be given to the Contact Group in Geneva. This is how Information Minister Miroslav Toholj addressed journalists after the Assembly' debate on the Contact Group's proposal.

We also note the words of Foreign Minister Aleksa Buha, who said that everything will be known in two days. None of the deputies or other participants in the parliament's session wanted to say precisely what has been decided. However, one could hear remarks such as that a compromise has been reached, the peace process is continuing. Conclusions have been drawn from this here that the plan has not been rejected nor fully accepted, and that, judging by everything, the Serbian negotiating team has been given a discretionary right and several options as to how to conduct itself in Geneva, depending on the stand of the international mediators. The team has probably been given precise instructions where to seek the correction of maps and how, and to what extent it can go regarding the plan of constitutional arrangements.

Of course, the many journalists have made different assumptions on what has been decided, but the fact is that the decision has not been announced officially by anyone. One has to wait until this sealed decision has been revealed.

The assembly continues work this afternoon. The election of a new prime minister designate and his cabinet is attracting the greatest attention.

Krajisnik Views Plan

LD1907185994 Belgrade TANJUG Domestic Service in Serbo-Croatian 1833 GMT 19 Jul 94

[Text] Sarajevo, 19 Jul (TANJUG)—Momcilo Krajisnik, president of the Srpska republic's assembly, said this evening that the decision on the Contact Group's plan made by the Serb parliament had been very difficult.

Stressing that it is difficult to know at this moment if "this decision is also the wisest one," Krajisnik said that it was "simply a reflection of the situation in the Srpska republic and of a number of uncertainties and objections to everything that was taking place, and was linked to with the international community's attitude toward the Serb nation."

The decision is mainly a reflection of our caution because of our negative experience with the international community. In any case I think that this decision is the most appropriate one in the situation in which we find ourselves, Krajisnik said.

It has been learned that the complete Srpska republic delegation will most probably travel to Geneva.

Serbs Elect Kozic Prime Minister-Designate

LD1907161694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1538 GMT 19 Jul 94

[Text] Sarajevo, 19 Jul (TANJUG)—In continuation of their session today, deputies to the people's assembly of the Srpska republic elected Dusan Kozic, a deputy from the Herzegovina township of Ljubinje, as the prime minister designate of the republic's new government.

At the next session of the assembly the prime minister-designate is expected to propose cabinet ministers and to present the new government's program.

The assembly continued its work by discussing drafts of some legal documents relating to economy and social services.

Silajdzic: Plan 'Unfair' but Guards Integrity

LD2007115494 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 20 Jul 94

[Excerpt] This morning President of the Bosnia-Herzegovina Federation Zubak, Vice President Ganic, and Prime Minister Silajdzic gave a positive response to the Contact Group's peace plan. Our assembly accepted the peace plan unconditionally, Prime Minister Silajdzic said. The plan is unfair but we accepted it because it guarantees the territorial integrity of Bosnia-Herzegovina. Now it is up to the aggressor to come forward with his stand, Silajdzic said. [passage omitted]

Delic, Petkovic Meet With U.S. Military Envoy

AU1907150894 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 19 Jul 94

[Text] Negotiations began in Sarajevo today between the delegations of the Bosnia-Herzegovina Army and the Croatian Defense Council [HVO] with President Clinton's special military envoy General John (Galvin). The Bosnia-Herzegovina Army delegation was headed by Army General Rasim Delic, while the HVO delegation was headed by Major-General Milivoj Petkovic.

Today's talks encompassed issues regarding the course of the implementation of the military agreements signed so far between the representatives of the Bosnia-Herzegovina Army and the HVO. [Word indistinct] open talks it was concluded that—on the whole—the military agreements have been successfully implemented on the ground. Even (?stronger) steps regarding the establishment of the federal army should be expected in the coming period.

General (Galvin) and associates praised the members of the Bosnia-Herzegovina Army and the HVO for the efforts they invested in bringing to life the process, which is extremely significant for the building of the Federation of the Bosniaks and the Croats.

Following the talks, General Delic and Major-General Petkovic acquainted General (Galvin) with the current situation on the Bosnia-Herzegovina fronts. They also discussed certain issues that will be solved in the coming period.

Foreign Minister Calls For Aid Drops for Bihac

AU1907183494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 19 Jul 94

[Text] Foreign Minister Ifran Ljubijankic received the deputies, the members of the main committee of the Party of Democratic Action, and the councillors of the Bosniak Assembly from the Bihac district today. The statement for the public from this meeting, among other things, says:

Once again we divert the attention of all state organs of the republic and the Federation, the international institutions, and the domestic and the international public to the grave humanitarian situation in the Bihac district and demand that the delivery of humanitarian aid from the air to the suffering people of this region starts without delay.

We give full support to the President of the Presidency Alija Izetbegovic and the government in their quest for a just peace in the Republic of Bosnia-Herzegovina and [word indistinct] condemn the treacherous actions of Fikret Abdic's secessionists.

We support the efforts to bring the Federation to life on all free territories as a good [word indistinct] integration of the entire Republic of Bosnia-Herzegovina.

We call on the UN Protection Forces [UNPROFOR] to more efficiently protect the zones that were proclaimed safe havens by the UN Security Council, among them also the Bihac District.

We demand that the government find, as a part of an agreement between the Government of the Republic of Bosnia-Herzegovina and the Republic of Croatia, the possibility of establishing a telecommunication link between the Bihac district and Sarajevo and the Bosnia-Herzegovina Radio and Television.

Minister Ljubijankic [words indistinct] efforts for the realization of the above demands be the priority tasks.

To the fighters and the command of the 5th Corps, the members of the Ministry of Internal Affairs, the political structures, and all patriots, we extend our sincere congratulations for a successful and [words indistinct] of Bosnia-Herzegovina.

Serbian Attacks Reported in Bihac, Sarajevo

AU2007093194

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 20 July carries in its regular 7-minute newscast several reports on the fighting in the republic. Reception is fair.

Reporting on the situation in Bihac, Mirza Sadikovic says that "last night the united aggressor's continued to attack the Bihac region. Karadzic's chetniks shelled Bihac unselectively, and fired at the defense lines on the Grmusko-Srbljanski Plateau. One woman was killed, and several other people suffered injuries. At the same time, Martic's chetniks from the so-called Serbian autonomous region of Krajina also shelled the outskirts of Cazin and the newly liberated areas of Velika Kladusa." He says that "the rebels of war criminal Fikret Abdic intensified their attacks on the defense lines, and continued to destroy systematically [word indistinct] on the territory they still hold under temporary control. They have intensified their campaign of oppression in Velika Kladusa itself, following the instructions of their Pale chiefs."

The Bosnia-Herzegovina Army 3d Corps Press Center reports that "to judge by the fierce attacks yesterday on

the Vozuca-Zavidovici front, Karadzic has got the decision to continue the war in that sealed envelope he is taking to Geneva. His forces launched three strong infantry attacks on the northeastern and southeastern parts of the Zavidovici front. These attacks were of course supported by extremely heavy artillery fire, mostly from mortars of all four calibers and 122-mm and 155-mm howitzers. Shells were raining down on our positions, but also on residential areas in the village of (Sunjik) and the town of Zavidovici. Several civilian were injured in these attacks. The aggressor was persistent in his infantry attacks until late at night, when he finally realized that his plans had failed."

Ismet Lisica reports from the Bosnia-Herzegovina Army 7th Corps Press Center that "yesterday the Serbian-Montenegrin aggressor intensified his attacks in our theater of operations, particularly on the Turbe part of the front. Apart from the usual M-84 machine- gun fire, and antiaircraft machine-gun fire, the enemy launched a heavy artillery attack on Turbe yesterday afternoon from the direction of (Djelilovac)." The report says that "according to our information, the aggressor still has very serious problems with filling his units with men on this part of the front. The local radio is used with increasing frequency to broadcast calls to men of military age to join their units, and an appeal has also been sent out to parents to put pressure on their sons to fulfill their—in their words—sacred Serbian duty. So it is obvious that they are still suffering from desertion and the general dodging of military service, which speaks of the low combat morale of the aggressor's soldiers and the local Serbian population. This is the result of the recent great military successes of the 7th Corps units, but also of the belief held by a large number of the local Serbs that the policies conducted by Karadzic and his followers are insane."

Describing the situation on the Sarajevo front, the Bosnia- Herzegovina Army 1st Corps Press Center says that "throughout the night the Serbian-Montenegrin fascists kept up heavy small arms fire along the entire separation line and the Sarajevo outskirts. The enemy offensive activities were particularly intensive in the areas of Sokolje, Hotonj, Kromolj, and Stupsko Brdo. The enemy fired 82- mm mortars and hand grenades on the defense lines and the residential areas in these areas. Intensified movement of military vehicles, particularly in the Vogosca-Rajlovac direction have been spotted."

UN Reports Fighting Continuing in Ozren Area

AU2007094194 Paris AFP in English 0922 GMT 20 Jul 94

[Excerpts] Geneva, July 20 (AFP)—Leaders of Bosnia-Herzegovina's Croat-Moslem federation Wednesday [20 July] confirmed thair acceptance of the partition plan for their country as they met with representatives of an international Contact Group here. [passage omitted]

Diplomatic sources here said the Contact Group would take about 10 days to consider the replies from the Bosnian belligerents and whether they could pursue peace negotiations or implement new sanctions.

Foreign ministers' from the Contact Group countries would meet here again around July 30 to give their answer, the sources said.

Meanwhile on the ground, Bosnian Government and Serb forces traded shell fire in northern and western Bosnia overnight.

A total of 65 heavy weapon detonations were monitored along the eastern fronts of the Ozren range, where much of the recent fighting has been taking place, UNPROFOR [UN Protection Forces] spokesman Major Rob Annink said in Sarajevo Wednesday.

Some 63 detonations also rang out in the Ribnica area, at the southern tip of Serb-held Ozren.

Muslims Resume Attacks on Serbs on Doboj Front

LD1907210594 Belgrade TANJUG Domestic Service in Serbo-Croatian 2003 GMT 19 Jul 94

[Excerpt] Doboj, 19 Jul (TANJUG)—Muslim units resumed their attacks on all sections of the Doboj front today, targeting Serb positions and villages, the information service of the 1st Krajina Corps of the Srpska republic army said this evening.

The Muslims have been launching fierce artillery attacks on the Ozren-Vozuca front, shelling Serb civilian targets in Serb villages.

The village of Boljanic was targeted from the direction of Breznica with 82 mm mortar shells, and the village of Petrovo was targeted with 128 mm missiles from the direction of Gracanica. In addition to material damage, a woman was wounded in Petrovo.

Almost all villages near the Vozuca part of the front came under strong mortar attacks. The area around the village of Vozuca came under particularly fierce fire. Janko Pavlovic, a civilian from Vozuca, was killed and considerable material damage was caused. [passage omitted]

Abdic: Province Will Not Be 'Cannon Fodder'

LD2007095694 Belgrade TANJUG Domestic Service in Serbo-Croatian 0822 GMT 20 Jul 94

[Excerpts] Velika Kladusa, 20 Jul (TANJUG)—We are fighting for peace because of the things we lack and in doing so we will preserve what we have, says a poster in the information center in Velika Kladusa. [passage omitted]

Abdic did not want to go into details when describing his split with Izetbegovic and said that the public is well informed about this. However, he recalled that the Muslim leadership in Sarajevo had deliberately misinterpreted the situation and accused the autonomous

province of western Bosnia [APWB] of secession despite the fact that it had only wanted autonomy within the union of Bosnia-Herzegovina.

However, the Bosnia-Herzegovina Presidency stuck to its accusations and used force to continue the war, deploying Alija's 5th Corps on the border. This corps has a core of extremists who want to curb the influence of the legal APWB authorities.

The citizens of this province had to consider the best way of organizing themselves, and when Izetbegovic and Ejup Ganic declined calls for negotiations, we were left with the choice of either giving up the autonomy or defending ourselves, Abdic said.

Abdic was very vague when commenting on a topic that caused most of the interest among reporters—the Contact Group's plan on the territorial demarcation of Bosnia-Herzegovina.

He said that since September [1993] when he was purged from the Bosnia-Herzegovina presidency, he had frozen his political and diplomatic activity and devoted himself exclusively to issues vital to the APWB. We have not considered the maps of the Contact Group, he added. Abdic pointed out the complexity of the situation and the interests of 300,000 citizens as being the most important. He stressed that the APWB had made a sufficient number of positive steps for it to gain recognition by international factors.

Everything that has been happening over the past months on the battlefield with the 5th Corps has only confirmed the need for autonomy, he said.

We do not want to be just cannon fodder used for training purposes by the presidency of the republic. We will be masters of our own destiny in our own land, Abdic said in conclusion.

Croatian Refugees Block Access to Velika Kladusa

AU1907185494 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 19 Jul 94

[Report by Nada Al Isa from Zagreb]

[Text] What the Croatian Government should have done long ago, the Croatian refugees have now done by blocking all the checkpoints of the UN Protection Forces [UNPROFOR]. They would not even allow the passage of Abdic's convoys, because, as they say, there has been enough Croatian oil supplied to the Serbs, that is to say, the chetniks. It was Fikret Abdic who also used to furnish them with oil.

Injured men from Abdic's troops, who are receiving medical treatment in Karlovac, confirm that Abdic was supplying the chetniks with oil. They say that Abdic paid the chetniks that they would help him in the struggle against the 5th Corps of the Bosnia-Herzegovina Army.

An UNPROFOR representative has also confirmed that there is real chaos in Velika Kladusa as supplies are getting sparse. The roads and [word indistinct] toward Kladusa are finally closed.

It is believed in Zagreb that there is also political chaos in Velika Kladusa. Why? Because Fikret Abdic has not spoken at all since the spectacular action Freedom Tiger '94, which was brilliantly organized and carried out by the 5th Corps of the Bosnia-Herzegovina Army and its commander Brigadier Atif Dudakovic. Even in Zagreb they say that this is [words indistinct].

Zagreb Radio Reports on Tudjman-Akashi Talks

LD1907213294 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 19 Jul 94

[Excerpts] An assessment of the effectiveness of the UN Protection Forces [UNPROFOR] and the current status of the peace-keeping forces were the topics of talks in Brijuni today between Croatian President Dr Franjo Tudjman and the UN secretary general's special envoy Yasushi Akashi. [passage omitted]

Hrvoje Sarinic, head of the Office for National Security and the head of the State Commission for Negotiations with the Serbs from UN-protected Areas, stated the following in connection with the Brijuni talks:

[Begin Sarinic recording] We discussed the results of the UNPROFOR mandate in Croatia so far which are, as you know, very sparse. President Tudjman expressed his understanding both for the refugees' justified protests and for the problems which UNPROFOR is going through now.

In order to resolve that situation in a way, to defrost it somehow, I think—and it was agreed in such a way—that UNPROFOR for its part should declare its view regarding the future and what needs to be done. In addition to that, it might try to carry out some actions, first of modest proportions, to show in which direction UNPROFOR is planning and intending to work here until the end of its mandate here. [end recording] [passage omitted]

Negotiator: Knin-Zagreb Talks 'Only' Solution

LD1807135094 Belgrade TANJUG in English 1152 GMT 18 Jul 94

[Text] Zagreb, July 18 (TANJUG) - The Republic of Serb Krajina and Croatia can resolve their conflict only through resumed Knin-Zagreb talks, international negotiator Kai Aide has said. The international community would not accept (?any) other solution, said Ambassador Aide.

In an interview in the Monday issue of the Croatian weekly FERAL TRIBUNE, Aide spoke against the advocates of a military option in Croatia. He said that anyone who thought there was another way to resolve the conflict was wrong, because other options might have unpredictable consequences. Aide said readiness existed to have the Zagreb-Knin negotiations continued soon, as he hoped, but could not exactly specify when.

The Croatian state and military authorities, especially President Franjo Tudjman, have in the past few days reiterated threats that Zagreb will force its rule on Serb Krajina.

The republic of Serb Krajina was formed by Serbs in Serb-populated areas of Croatia in 1991 when Croatia seceded from the former Yugoslavia and tried to reduce the Serb people's status to that of a national minority. Although the republic has been under United Nations protection since march 1992, this did not prevent Croatia from launching four aggressions on the area during this period, attempting to force its authority upon Krajina.

UNPROFOR Protests to Tudjman Over Blockade

LD1907202294 Belgrade TANJUG in English 1850 GMT 19 Jul 94

[Text] Zagreb, July 19 (TANJUG)—The top representatives of the United Nations in the former Yugoslavia have protested to Croatian President Franjo Tudjman over the blockade of U.N. personnel in Croatia.

United Nations Special Envoy Yasushi Akashi and Gen. Bertrand de Lapresle, commander of the U.N. Protection Force [UNPROFOR] in the former Yugoslavia, delivered a protest note to Tudjman over the role of the government in the prolonged blockade of UNPROFOR.

UNPROFOR Spokesman Gen. Paul Risley said Tuesday that Akashi and de Lapresle had explained their view of the problem in talks with Tudjman on the Adriatic island of Brioni.

Risley said Croatian refugees participating in the blockade enjoy the undisguised support and assistance of Croatian police and army personnel.

An organization of Croatian refugees has been blocking UNPROFOR positions and personnel since July 1. Croatian authorities have taken no action to end the blockade.

Serbs in Croatia declared the independent republic of Serb Krajina in 1991 after Croatia seceded from the former Yugoslavia and removed Serb national rights from the Croatian constitution.

Croatian and Krajina authorities agreed to the deployment of UNPROFOR troops in Krajina in 1992, and the region was designated a U.N.-protected area. Croatia has since mounted four military offensives against the Serb territory.

Risley said the refugee blockade of UNPROFOR is hampering the U.N. force's peacekeeping functions and its ability to oversee the March 29 ceasefire between Krajina and Croatia.

Out of about 20 UNPROFOR checkpoints, Risley said only two have been reopened, warning that the situation in some sectors was serious because of increasing ceasefire violations.

Blockades Hindering Cease-Fire

AU1907144294 Paris AFP in English 1413 GMT 19 Jul 94

[Text] Zagreb, July 19 (AFP)—The United Nations Protection Force (UNPROFOR) in Croatia "strongly deplores" the continuing blockade of UN control points

by disaffected refugees, a UN spokesman said Tuesday. UNPROFOR spokesman Paul Risley said the blockade "strongly hinders UN peacekeeping duties, including the monitoring and enforcement of the 29 March ceasefire agreement."

The ceasefire between Zagreb and the Serb separatists occupying a quarter of Croatian territory was brokered by UNPROFOR.

"Humanitarian and relief activities (...) are also strongly affected by this blockade," added Risley.

The Croat refugees want to return to their homes in Serb held territory, which they were forced to flee when the Serbs took control. The refugees have been blockading UNPROFOR check points between the Serb enclaves and the rest of Croatia since mid-July.

On Tuesday morning only two check points were functioning, said Risley. He also indicated Croatian authorities may be involved in the blockade saying: "We continue to receive reports of active Croatian police assistance to the demonstrators.

"Many of these blockades in fact have really few demonstrators, often with several military police present at these points."

The issue of the blockade was to be raised during a meeting Tuesday at Brijuni on the Adriatic coast between Yasushi Akashi, UN special envoy to ex-Yugoslavia, UNPROFOR commander General Bertrand de Lapresle and Croatian President Franjo Tudjman.

There are currently around 260,000 displaced persons in Croatia.

Valentic, Granic on Talks With EU Officials

LD1907191194 Zagreb HTV Television in Serbo-Croatian 1730 GMT 19 Jul 94

[Excerpts] Prime Minister Nikica Valentic and Deputy Prime Minister Mate Granic today paid a visit to the EU [European Union] in Brussels. [passage omitted]

[Begin Valentic recording] We can conclude that we have gained political support for Croatia's efforts aimed at ending the war in Bosnia-Herzegovina, at lending support to the Bosnian Muslims and Croats in establishing the federation, and for the enormous efforts that we have been making to reintegrate the UN-Protected Areas into the constitutional order of the Republic of Croatia in a peaceful way.

The government of the Republic of Croatia completely understands that in order to join the PHARE [Poland, Hungary—Actions for Economic Reconversion] program, to be able to sign all the agreements and be admitted to the European institutions, that we have to fulfill two basic conditions: To have a market economy and high democratic standards in line with European criteria. [passage omitted]

[Begin Granic recording] In brief, not only in our talks with Minister Willy Claes, but also with Mr Van den Broek, full accord was reached regarding the fundamental principles of our foreign policy. That means on the one hand, that we support all efforts made and the plan put forward by the Contact Group, and on the other, the accelerated implementation of the Washington Agreements; this means that the federation is to be implemented on every bit of its territory as soon as possible. We likewise fully support the plan for Mostar, and as far as UN-Protected Areas—our occupied territories—are concerned, full understanding for the point on the UN General Assembly agenda regarding the situation in occupied areas on the one hand, while on the other, that the mutual recognition of all states, particularly the Republic of Croatia within its internationally-recognized borders by Serbia, is the first and fundamental step for the normalization of relations in the region. [passage omitted]

Valentic Confers With Delegation

LD1907170094 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 19 Jul 94

[Text] Mirko Galic reports on Premier Nikica Valentic's visit to Brussels.

[Galic] The Croatian Government, with a high-ranking delegation, including Premier Nikica Valentic and Mate Granic, vice president and foreign minister, is today paying an important visit to Brussels. During their talks with Hans Van Den Broek and Leon Brittan, the leading men of the European Commission, they discussed Croatia's prospects for cooperation with the European Union [EU]. The Croatian Government regards two objectives as being particularly important, it was stated in the talks. The first is the PHARE [Economic Reconstruction Aid for Poland and Hungary] program, and not just for the money, although money is not unimportant to a country that needs restoration, but because of the symbolic significance of this first step. In this way Europe is opening its doors to Croatia. Today, the European top men gave the Croatian premier and vice premier a promise, whereby these prospects are conditional upon Europe's standards which Croatia must meet—a market-driven economy, human rights, and freedom of expression.

The Croatian delegation's second objective is to open negotiations on trade and cooperation contracts with the EU. This was also met with understanding. Croatia is being promised European perspectives in this respect, too. These perspectives, however, hinge on a political solution to the crisis in neighbouring Bosnia-Herzegovina, above all in Croatia itself, regarding its occupied areas.

Valentic and Granic have secured support from the European Commission officials, as well as Belgian Foreign Minister Willy Claes' explicit support, for Croatian sovereignty across all its areas, that is within its borders. The UNPA [UN Protected Areas] zones are parts of Croatia, while the Croatian authorities must do everything within their powers to find a peaceful solution for their incorporation into Croatia's political, legal, and economic system. During the talks, particular emphasis was placed on the fact the Croatia is a stable country in this part of Europe. Its movement toward a political solution to the crisis both in Bosnia-Herzegovina and Croatia is being met with trust and support. This is why Croatia is understood in Brussels.

General Bobetko Receives Russian Delegation

LD1807161094 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 18 Jul 94

[Text] We have just learned that Corps general Janko Bobetko, Croatian Army chief of the general staff, has received a delegation of the Russian Federation Council which is on a working visit. Our correspondent Zoltan Kabok has a report:

[Kabok] In his talks with the eminent guests from Russia, General Bobetko dwelled on the contribution that Croatia has made to the anti-Fascist struggle, the 1971 events, and particularly spoke about the homeland war and the set-up of the Croatian Army. On this occasion, General Bobetko praised Russia's Ambassador to Croatia Leonid Kerestedzhiyants for his exceptionally correct and conscientious attitude in discharging his duties.

Valeriy Viktorov, who is leading the Russian Federation Council delegation, told correspondents the following about the goal of the delegation's visit:

[Begin Viktorov recording in Russian with superimposed Serbo- Croat translation] The goal of the visit by this high-ranking Russian delegation is to see how the Federation Council's decisions have been implemented as regards the Russian UN contingent in this area. [end recording]

[Kabok] On the other hand, Corps Gen. Janko Bobetko said the following about the importance of this visit for Croatia and the Croatian Army:

[Begin Bobetko recording] I endeavored to explain to the gentlemen the historical developments; they will reach their own conclusions, which is their right and their business. My task was to present things in a very specific way, substantiating it with facts, the continuity of origins of this conflict [as heard], of the process of creating the Croatian state, and particularly creating the Croatian Army, because we have many soldiers. [end recording]

[Kabok] The delegation of the Russian Federation Council is to meet Yasushi Akashi, the UN secretary general's envoy for former Yugoslavia, in the main UNPROFOR [UN Protection Forces] headquarters in Zagreb this afternoon. Tomorrow they are leaving for Bosnia-Herzegovina.

Assembly Speaker Receives Delegation

LD1807152994 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 18 Jul 94

[Excerpt] Nedjeljko Mihanovic, speaker of the Assembly of the Republic of Croatia, received a delegation of the Russian Federation Council led by Deputy Chairman Valeriy Vikotorov in Zagreb today.

As Viktorov stressed during the talks, the Russian delegation is paying a visit to Croatia to gain first-hand knowledge of the situation in the country. The reason for this is a discussion on the extension of the Russian UN Protection Force troops' mandate in former Yugoslavia, which the Russian parliament is to discuss soon, Viktorov said.

The delegation of the Russian Federation Council is to visit Sarajevo and Belgrade in the next few days, Viktorov announced. They are also to pay a visit to the Russian UN troops and will also meet Yasushi Akashi, the UN secretary general's special envoy for former Yugoslavia. [passage omitted]

Zagreb Accused of 'Forcibly' Evacuating Refugees

LD1707085094 Belgrade TANJUG Domestic Service in Serbo-Croatian 0608 GMT 17 Jul 94

[Text] Belgrade, 17 Jul (TANJUG)—Refugees from Bosnia accommodated in Slovene-owned holiday homes and villas in the Pineta tourist resort have been forcibly evacuated and transferred to the Borozija camp near Savudrija, TANJUG has learned from the sources close to the Istrian Democratic Council.

The UN High Commissioner for Refugees reproached Croatia for dealing with its refugee problems in such a way.

For months on end 1,028 refugees, including 400 young boys and girls, refusing to be moved to the Borozija camp—lacking even the basic living needs—have been subjected to increasingly intolerable pressure and threats on the part of the Croatian authorities.

In addition to this the Muslim refugees, who had been staying in Borozija, had to be moved to improvised camps as the Croats would not want to live with them.

Because they opposed this transfer with utmost resolve, Croatia withdrew their refugee status and cut off any aid, thus forcing them to accept the new accommodation "willingly."

The cause of all this have been Slovenia's unyielding demands that the holiday homes and villas—seized by Croatia in a military action last October without a previous agreement with the owners—must be evacuated.

The deadline was 15 April, and as the relations between these two states have been increasingly deteriorating over territorial disputes, Zagreb decided to transfer the refugees by force.

Osijek Crime Linked to Uncontrolled Flow of Arms

94BA0348B Belgrade VREME in Serbo-Croatian
27 Jun 94 pp 14-15

[Article by Drago Hedl: "Vietnam Syndrome in Osijek: Bloody Graduation Night"]

[Text] *If the motive for the massacre committed by Croatian Armed Forces member Borislav Beslic was actually the "controversial songs" heard that evening at the "Graficar" bar, it will certainly be necessary to think about what kind of climate has been created and how low the threshold of tolerance has dropped.*

The horrible massacre that occurred last Saturday at the "Graficar" bar in Osijek—when the crazed killer Borislav Beslic, a member of the 5th Home Guard Regiment of the Croatian Armed Forces, killed four people and seriously wounded eight others—was simply inevitable in Osijek. The old dramatic rule that a gun that appears on stage in the first act must be fired in the third act demonstrated its universality, proving, unfortunately, that it applies not only to theater, but also to ordinary life. The large quantities of weapons that are in the uncontrolled possession of a large number of people and the hundreds of incidents that have occurred because of that do not appear to be an adequate warning to the fervent supporters of the idea of "a Croatian rifle on a Croatian shoulder." After the "Osijek affair," perhaps it has become evident that when there are no other enemies, the Croatian rifle can be used just as effectively against Croats as well.

While an official investigation is under way into the massacre, which took place at the 15th-year reunion of 11 former students at the former Osijek Administrative School, which irresistibly brings to mind images from the horror film "Bloody Graduation Night," some motives for the incident are already known. On that tragic evening, Beslic returned from his position, bringing his automatic rifle with him. He jumped across the locked gate of the "Graficar" bar, which was closed to other guests that evening, bar owner Stjepan Rukavina explained. The alumni were enjoying themselves in a closed-off part of the bar, while another group of guests was celebrating a birthday on the patio. The crowd was in high spirits, being entertained by the group "Mister X," and in such a good mood, eyewitnesses say, that they began singing "Sote" and then "I Have Had Enough of You, Bar." Beslic allegedly became angry at the "Serb songs" and began shooting. He did so without any prior warning, first through the closed glass windows and then going inside and aiming his fire at the bar's guests and staff. He fired an entire clip, cold-bloodedly loaded another, and continued shooting, firing a total of 45 7.62-caliber cartridges. Then he laid the rifle and two grenades on a table and sat down at the very edge of the bar's garden patio. That is where the police found him.

Weapons Out of Control

The scene was gruesome. Four people (two waitresses, Melita Grujic and Mirjana Katanic, and two guests, Branko Malijurek and Tihomir Milicevic) lay in pools of blood, while the eight wounded people were screaming for emergency help. The guests who were on the bar's patio realized what had happened only later. When they heard the gunfire they did not react, thinking that someone was giving vent to his merriment, only a little noisily. Perhaps more than anything else, that fact indicates how much the firing of weapons today is regarded as completely normal—guns are fired at weddings, at birthdays, at various celebrations, and not only pistols, but also rifles.

The commander of the 5th Home Guard Regiment was unwilling to issue a public statement on the mental state and previous behavior of his soldier or to explain how it is possible that a weapon is taken home after returning from position. Journalists were similarly unable to learn any more about Borislav Beslic, 41, from the Information Department of the IPD [expansion not given] service for the Osijek Military District. The people there simply responded laconically that everything important about Beslic had already been made public, and if it becomes necessary to provide any further information that will be done later on.

But despite that, it has been learned that Beslic has had previous run-ins with the law, and that he was sentenced in Osijek District Court for threatening public safety. Because of some quarrels and unsettled bills, he once set fire to the "Fruska Gora" inn in Osijek.

If the motive for the massacre committed by Croatian Armed Forces member Borislav Beslic was actually the "controversial songs" heard that evening at the "Graficar" bar, it will certainly be necessary to think about what kind of climate has been created and how low the threshold of tolerance has dropped. "None of us knew that person, and I do not think that we provoked him in any way," said Damir Pavlovic, one of the people at the 15th-year reunion. "He was bothered by the music? Why, since they were popular songs, not chetnik ones?"

It is odd that since the events that occurred that Saturday night in Osijek there has been no public condemnation of the crime. Only the City Council, headed by Dr. Zlatko Kramaric placed the question of security conditions in the city on its meeting agenda two days later. Kramaric warned of the enormous quantities of weapons that are out of control, often in the hands of people of problematic mental states. He recalled that in 1992 a body was formed consisting of civilian and military authorities to put an end to terrorism, which was on the rampage in Osijek at that time. Journalists who were warning about the Wild West syndrome that had seized Osijek were declared enemies of the young democracy by

the then-chairman of the Executive Council and current zupan of Osijek-Baranja, Branimir Glavas, who also accused them of generating the wrong images of the city among the Croatian public. He explicitly contended that conditions in Osijek are no different than in other cities along the frontier with the occupied parts of Croatia.

Inappropriate Songs

Unlike Dr. Kramaric, Glavas has found no need to condemn the insane act of the Croatian soldier. However, the fact that the zupan of Osijek-Baranja is not insensitive to human destiny can be concluded from his open letter that he sent only two days before the "Graficar" bar massacre to the director of "Koka" in Varazdin. Specifically, Glavas very sharply criticized the indifference of "Koka" to the fate of a six-year-old child, Mije Cosic, who went blind after consuming an egg infected with salmonella.

The epitome of the almost complete avoidance of the crime and the attempt to relativize a bloody incident that has no recent precedent in peaceful Osijek was probably provided by the local daily newspaper, GLAS SLAVONIJE, which in writing about what happened at the reunion suggested the following to its readers: "Is it not time to wonder whether we ourselves are aware of the postwar situation and delicate circumstances around us, and of the fact that this is not really the time to test the already overwrought nerves of Croatian soldiers through 'inappropriate songs'?" An awe-inspiring conclusion.

But the fact that the part about "inappropriate songs" is in fact no joke was learned several months ago by listeners of Slavonian Radio, a medium that like GLAS SLAVONIJE and Slavonian Television is owned by the HDZ [Croatian Democratic Community] enterprise NDU (National Stockholding Association). During the show "Yellow Submarine," which was for that reason later dropped from the program schedule, the host played the Djordje Balasevic song "Just Let There Be No War" to hear his listeners' attitudes. Seven listeners said that they had nothing against Balasevic, but one, who identified himself as a volunteer in the homeland war, warned him to stop, because the studio might be blown up before long. Naturally, no one paid any attention to that. After the bloody Osijek Saturday, even songs are no longer what they used to be.

U.S. Defense Secretary Perry Concludes Visit

LD1907185394 Belgrade TANJUG Domestic Service in Serbo-Croatian 1800 GMT 19 Jul 94

[Text] Skopje, 19 Jul (TANJUG)—U.S. Secretary for Defense William Perry today ended his one-day visit to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. He met President Kiro Gligorov and the ministers for defense and for foreign affairs, Vlado Popovski and Stevo Crvenkovski.

At a brief news conference Perry said that "there are no signs of military threat" along the border strip with the Federal Republic of Yugoslavia and that the present UN Protection Force was sufficient. Perry today visited the U.S. observation center in the border area with Yugoslavia by the village of Tabanovci near Kumanovo.

Perry and Gligorov, as reported, discussed military cooperation and the need for Macedonia to consider in the future the installation of communications equipment that could be effectively linked to U.S. equipment.

The United States has no plans to increase the current contingent of 500 soldiers in Macedonia, Perry said.

Toward the end of his visit the U.S. secretary of defense paid tribute at the partisan cemetery near Skopje to the fighters who lost their lives in the national liberation struggle.

Fuel Supplies Destined for Bosnia Seized

LD1907102694 Belgrade TANJUG Domestic Service in Serbo-Croatian 0913 GMT 19 Jul 94

[Excerpt] Djevdjelija, 19 Jul (TANJUG)—A customs office in Djevdjelija last night seized 15,000 liters of gasolene and 6,000 liters of crude oil found at the Novo Selo border crossing on the Bulgarian border in specially built tankers in three trucks bearing the license plates of Zvornik in the [Bosnian] Serb Republic. The drivers—Dragan Sapic, Dragan Jakovljevic, and Stanko Jakicevic—obtained the fuel in Bulgaria and tried to transport it through Macedonia [The Former Yugoslav Republic of Macedonia]. [passage omitted]

DPM President Warns of Albanian Separatism

AU1807090894 Skopje NOVA MAKEDONIJA in Macedonian 15 Jul 94 p 4

[Interview with Tomislav Stojanovski, president of the Democratic Party of The Former Yugoslav Republic of Macedonia, by Zoran Petrov; place and date not given: "The Macedonians in Western Macedonia Are Forgotten"]

[Excerpt] [Passage omitted]

Interethnic Relations—On the Lowest Level

[Petrov] Now that your congress is over, can you tell us briefly to what extent your expectations have been fulfilled?

[Stojanovski] We held the congress after two and a half years of the party's existence and I think we chose the right time. It fulfilled all our expectations and it also contributed to the enlargement of the party, which now numbers over 8,000 members from nearly all the bigger towns in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. The congress also helped to spread the DPM [Democratic Party of Macedonia] election platform, which was accepted by the delegates. There were also very good discussions that will certainly contribute to the final construction of the party's election strategy. The congress also helped the DPM to come out of the shadow of many other similar parties, and I think it is now clear that the DPM represents a serious political factor not only on the local level, but also nationally.

[Petrov] By what was said at the Congress, your essential pledge and reaction is that western Macedonia has been neglected. Can you explain that?

[Stojanovski] Let me put it straight. In western Macedonia the Macedonians have been neglected. We reacted to this situation. We also reacted to the fact that there is not a single Macedonian—minister or high official—in the government from Tetovo, Gostivar, Kicevo, Ohrid, Struga, or Debar. This means that most original information that reaches the authorities comes from representatives of the Albanian nationality who participate in the authorities. Because of that, it is no wonder that they struggle for a parallel authority in western Macedonia, and that is done by the one-nation assemblies in Tetovo, Gostivar, and Debar. That is also the reason for the violation of the Constitution and the laws, particularly in education and local management. I repeat, the Macedonians are neglected and endangered in western Macedonia, and the authorities are losing power there.

[Petrov] Is it not a little exaggerated to say that? In which segments do you find them neglected and endangered?

[Stojanovski] It is not exaggerated, and I myself am not at all paranoid. I speak of simple and easily spotted facts. First, speaking about the economy in western Macedonia, we know that the major part of the non-Albanian population is employed in state companies, and their fate therefore depends on the survival of these companies. They have no alternative if they want to survive. On the other hand, the Albanians hold the private sector, but also a monopoly in the gray economy and smuggling of profitable products, such as oil, coffee, cigarettes, arms, and even drugs. Moreover, the Macedonians have always been the victims in all incidents, as in the case of the recent murder of Vase Trpcevski in Tetovo....

[Petrov] Now that you mentioned the murder, how did it affect interethnic relations in Tetovo?

[Stojanovski] The best barometer for measuring interethnic relations in the state is the situation in Tetovo. The reason is simple—Tetovo is the center for the "Ilirida" [name for independent Albanian region in Macedonia for which Albanian radicals strive] fiction, here are the headquarters of the leading Albanian parties in Macedonia—the PDP [Party for Democratic Prosperity] and the NDP [People's Democratic Party], and here we have the greatest migration from Kosovo, Sandjak, Albania, and Bosnia. All this aggravates the integral situation. At the moment, interethnic relations in this town are on the lowest possible level, with a real danger of a further escalation. The Macedonians are furthermore revolted because the murderer, Rusidi, has not been caught yet, while on the other hand the friends of the deceased Trpcevski, who were with him on that tragic night, are being continually called in for hearings, interrogations...

If it has already become clear that both currents in the PDP have the same ultimate goal—autonomy of western Macedonia followed by annexation to Great Albania, and bearing in mind what one of their leaders recently said—autonomy is the least that will satisfy the Albanians in the Republic of Macedonia, then how do you expect other citizens in this part of Macedonia feel? What kind of interethnic relations can we talk about?

Problems Should Be Solved Without Mediators

[Petrov] After the murder in Tetovo there appeared requests for application of the Serbian recipe on solving the Albanian question. What is the DPM's view on this and what is your formula for a common life?

[Stojanovski] First of all, such requests are not of a mass character. In my opinion, it was more an articulation of an intimate revolt against the inefficiency of the state, made by people who feel themselves biologically endangered. The stance of the DPM is that all problems should be solved without mediators, inside the state itself. The inclusion of any foreign factor, particularly of the neighbors, would undoubtedly lead to a new Balkan war, or to conflicts on a larger scale. Our party sees the future of this state in respecting the Constitution and the laws, in reminding the people of events from the past that led to interethnic conflicts or misunderstandings, in loyalty to one's own state, and in the ruling of the individual over the collective awareness.

[Petrov] You mentioned the feeling of loyalty to one's state. Can you define this?

[Stojanovski] Let us be frank here. Democracy does not imply rights only, but duties as well. If somebody boycotts a referendum, does not vote for the Constitution of a state in which he refuses to do his military services, if somebody organizes one's own referendum, boycotts a census, how can we say that he loves his own state? These people have the opportunity of joining the Macedonian authority, but they are dreaming of "Ilirida," they are creating paramilitary armies.... On the other hand, these equal citizens of ours boycott public taxes and refuse to pay subscriptions, they are fully engaged in making calculations and they are repeating that their man's and citizen's rights are endangered. Which parameters can we apply here to claim that these people care for Macedonia and its future?

[Petrov] We heard some strong criticisms at the congress of the present authorities.

[Stojanovski] The government is responsible for the situation in Tetovo. It is simply impossible to find an excuse for its inactivity, disinterest, and in general its absence from this region. This is exactly the place where Macedonia's fate is being decided and whether we shall survive or not. An unnatural coalition made us feel that the Albanians, being the majority in western Macedonia, hold the whole power. For instance, there is now pressure to open an Albanian university in Tetovo, an Albanian theater, ballet, an association of culture and education, a house of culture, and all these institutions can mean nothing but a classic parallel authority. For example, we have information that they are preparing to construct a monument to the famous Ballist [Albanian militants in the Second World War] Djemo Haso in his native village of Simnica, near Gostivar. It is another question whether this government can, because of the constant pressure, blackmail, and preconditioning, do anything more.

Commentary Views Opposition's Miscalculations

AU2007075994 Skopje NOVA MAKEDONIJA in Macedonian 16 Jul 94 p 2

[Commentary by Maja Anastasova: "One Mistake After Another"]

[Text] The parliamentary opposition, that is the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Movement for Macedonian National Unity], initiated the question of confidence in the government of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] for a third time, but again in vain. This is nothing new. Every time there was a vote of confidence in the government coalition in the past 22 months it ended in a similar way. Moreover, the final outcome was always predicted in advance. The simple truth is that not only does the opposition not have enough votes, but it also lacks arguments and forces to overthrow the government. That is why each attempt ends in the way it happened two nights ago. The vote supplied the executive power with time to finish its mandate until elections in November.

Nevertheless, two new moments could be noted at the last parliamentary session. First of all, the unity of the coalition was revived, and that was something that the opposition had not expected. They had counted on the temporary abstinence of the Albanian partners, the PDP [Party for Democratic Prosperity] and the NDP [People's Democratic Party]. There was a strong impression that the opposition was united. For the first time the

VMRO-DPMNE, the Democratic Party, and the independent MPs acted as one body. Their union has not been officially confirmed yet. It could be just a one-time action. Anyway, VMRO-DPMNE leader Ljupco Georgievski behaved as the leader of the united opposition and he spoke on behalf of the Democratic Party, too.

We are used to VMRO-DPMNE practice, which is to withdraw the issue of confidence after using the opportunity to express its views. It seems that it intended to obstruct the voting (the same happened when the interpellation of the minister of education was put on the agenda) and then activate the question of confidence in the government. Perhaps its intention is to do that in September, just before elections. It had counted on that, but because of that it lost the game. First, the opposition revealed (that was a fact) to the public once again that it does not really know what it actually wants. It received the blow that it had meant for its opponents. Although quite aware of the final outcome, the opposition ran away from voting. The alleged reason was that all speakers could not take the floor. In the eyes of the public it turned out to be ridiculous, because it never showed, not for a single instant, that it is a serious candidate that can take over power. On the contrary, everything went in the style "I want to say something, but I do not know what." This time the opposition also lost the opportunity of a free television campaign. The reason for this was because, full of hatred and lacking inventiveness, it did not have anything to offer to the voters.

As a matter of fact, this is probably why the voters ask themselves—why did VMRO-DPMNE instigate the question of confidence in the government, knowing its battle was doomed to failure? All public polls have shown that the party, which had gotten the majority votes at the last elections, will not have another such opportunity. The percentage of those who will vote for the VMRO-DPMNE is decreasing. Perhaps its attempt at condemning the government was aimed at testing its own rating. The conclusion was that the test was a complete failure. All this happened although the government is not at all blameless for the present situation in the state, most of all in the economic sphere. However, although it is the opposition's task to display the mistakes and failures of the authority, and also to offer other alternatives, it simply does not know how to do this. It has even greater difficulties in proposing concrete measures.

If this session was meant to test the stability of the coalition, the opposition received the response it deserves—the government proved stronger than ever. All the expectations of the VMRO-DPMNE (and of the whole opposition) related to the PDP-NDP abstinence, as an opportunity for causing a greater division within the government, did not come true. The fact that the Albanian MPs attended the session (even if it might mean that thus they were paying the price for other concessions) proved that some secret relations and obligations exist within the coalition. The role played by the opposition contributes to such an opinion. Maybe it is not aware of this, but it is a fact that it has done a lot for the consolidation of its adversary's positions.

Drnovsek Makes Changes in Cabinet

94BA0347A Ljubljana DELO in Slovene 1 Jul 94 p 2

[Article by Vladimir Vodisek: "The Prime Minister Has Already Replaced a Third of the Government Without Special Elections"]

[Text] *After the Social Democrats' departure, it was still impossible to ensure stability and restore the disrupted balance in the coalition; concern about ministerial potential and the prime minister's personnel actions.*

Ljubljana, 30 Jun—The departure of Justice Minister Miha Kozinc thwarted the plans of Prime Minister Janez Drnovsek, who, according to information from sources close to the government, intended to replace Minister of Economic Activities Dr. Maks Tajnikar and Dr. Davorin Kracun, minister of economic relations and development, who allegedly wants to return to his native Maribor.

Dr. Janez Drnovsek also has available the position of minister without portfolio for local self-government. The United List wants it, and it is to be occupied by former Interior Minister Ivo Bizjak. He is also among the candidates for ombudsman, and furthermore, after his replacement, there was considerable speculation about whether he would leave to be ambassador in Bonn.

Of the 16 members of the government cabinet who were sworn in before parliament after the 1992 elections, Janez Drnovsek has replaced a third of the government, specifically five ministers, if we also count Justice Minister Miha Kozinc. His successor will be decided by parliament in its July session, the last one before the parliament's vacation.

Janez Drnovsek allowed the resignation of Minister of the Environment Miha Jazbinsek, who was a minister in Peterle's and Drnovsek's governments. The prime minister then asked the United List to propose, instead of Jozice Puhar, a new candidate for minister of labor, family, and social affairs. Jozica Puhar received a vote of confidence, and recently resigned, which the United List considers a mistake on the prime minister's part.

The coalition has in the meantime "covered" Justice Minister Miha Kozinc, while Janez Drnovsek replaced Defense Minister Janez Jansa, because he allegedly did not take steps against those involved in the Depala Vas affair. Ivo Bizjak offered the prime minister his resignation after the scandal in Celovec, but did not expect Drnovsek to accept it. Finally, after the R + 3 scandal, Miha Kozinc offered his resignation, and Drnovsek accepted it.

Without special elections, the prime minister has replaced a third of the cabinet, and has blocked planned replacements in the economic ministries. People in the cabinet, in fact, have become seriously concerned about ministerial potential and Janez Drnovsek's personnel actions. If the replacements of ministers should continue, Drnovsek would have to offer the resignation of the entire cabinet.

The first signs have reportedly come from the Christian Democrats that the present Peterle-Stanic alliance will not survive the fall congress, unless the talks on a dual coalition continue. The coalition partners are reportedly seriously concerned about the fate of Christian Democracy after the latest public opinion polls, which indicate that the coalition of Janez Jansa and Marjan Podobnik is gaining ground, and consequently they said to be intensively seeking a formula to break up the present alliance between the Social Democrats and the People's Party.

Since a dual coalition is possible, but uncertain—in view of the special elections threatened—the Liberal Democrats are thinking about inviting Marjan Podobnik and the People's Party into the coalition at the time of the fall restructuring. Next week, that possibility is to be verified at a meeting between Prime Minister Drnovsek and People's Party President Marjan Podobnik.

There will not be any serious changes in the coalition before the August vacation, in spite of the announced replacement of several ministers. In view of the awkwardness and uncertainty before possible early elections, the only possible maneuver is perhaps for the People's Party to join the government, but in that case the United List would have to leave it.

After the Social Democrats' departure from the coalition, the prime minister cannot guarantee its stability at all. From the present point of view, the replacement of Janez Jansa was a mistake, although it was not too high a price for that, primarily because of the intensification of the conflicts between the prime minister and defense minister, which, judging by the public polemics, are now becoming a conflict between Janez Drnovsek and Janez Jansa.

The latest corruption scandal among the Liberal Democrats' ranks has once again caused polemics within the party. Specifically, some of the Liberal Democrats are closer to the United List than to the pragmatic prime minister; that part of the party has sided with Justice Minister Miha Kozinc. The biggest antagonisms on the political scene have accumulated precisely among the Liberal Democrats, who, some people think, could even be divided into two parts. An ideological and capital division is less likely for the time being, because of privatization interests. Otherwise, the coalition has decided first of all to "rescue" the present Christian Democratic regime, which is increasingly losing the dispute on the right.

Serbia

Commentary Views Pale-Belgrade Relations

AU1907202994 Belgrade BORBA in Serbo-Croatian 18 Jul 94 p 12

[Commentary by Ivan Torov: "Medicine for Impotence in Pale"]

[Text] Last year, Serbian President Slobodan Milosevic did not manage to convince the deputies of the Srpska republic assembly to accept the Vance-Owen plan on the division of Bosnia-Herzegovina along ethnic lines. Today, as it has unofficially been learned, Serbian Patriarch Pavle will try (and will probably succeed) to influence, at least with his presence at the meeting of Pale parliamentarians, the parliament to reject the peace plan of the so- called Contact Group. This should not be a difficult job for the patriarch considering that he has behind him the firm stands of the episcopal conference, and considering that the mood among the Bosnian Serbs is such that it would be illusory to expect a "yes."

The Serbian Orthodox Church is obviously using this opportunity to enter state politics, believing that the decision on war and peace is the right moment for a swift removal of the socialist regime in Belgrade. What it could not accomplish in Serbia itself, the church leadership is now trying to achieve indirectly, via Radovan Karadzic: Namely, it is trying to undermine the position and authority of Serbian President [Slobodan] Milosevic through the extremely risky acceptance of the war policy of the leadership in Pale.

Calculations With War and Peace

Such ambitions of the leading church people are not new. Subtlety in "conducting state policies" has never been their strong side in recent years, and therefore the inability to control their intolerance of the nature of the Serbian regime used to, as a rule, lead to a further decrease in the church's rating and sphere of influence.

This time, however, the church leadership is not alone. The bulk of the opposition in Serbia, except the Serbian Renewal Movement, has demonstrated, one could say, the same degree of hostility and intolerance toward the offered peace plan, considering it to be a shrewd international game and an attempt "to bring to the surface, isolate, and finally destroy" the Serbian militant side. The most direct in that are Seselj's Radicals and the Serbian nonparliamentary opposition. However, it is essentially the Belgrade national democrats (Zoran Djindjic and Vojislav Kostunica) who, in addition to the Serbian Orthodox Church, are giving the main tone to the awakening and inflaming of the "all people's resistance" to the plan of ethnic and territorial division of Bosnia-Herzegovina. Their more or less open support for Radovan Karadzic, in contrast to Milosevic's stand that "peace has no alternative," is becoming a strong encouragement for the leadership in Pale to play the role of Serbian Piemonte [province in northern Italy that played a crucial role in the unification of Italy in the 19th Century] this time, and thus, of course, pushing aside the very certain serious consequences of the negative response to the international community's intention to stop the Bosnian war at any cost, behind the "defense of centuries-old national rights and freedoms."

Many people consider Djindjic's reasoning fairly simple. Last year's flirting with Karadzic and radical change in the policies of the Democratic Party from a moderately nationalist to a hardened nationalist party have earned the party many political points in Serbia. The question is whether Djindjic's uncritical support of almost all arguments put forward by Karadzic, Plavsic, Mladic, and Krajisnik can repeat this. Milosevic's siding with the Vance-Owen plan last year surprised many people, even the Socialists themselves who had not been ready for a radical turnabout in their national policy of unreserved support for the "liberation struggle of the Bosnian Serbs." This led to a certain redistribution of votes at the December elections, at which the aggressive Djindjic fared best.

Milosevic's and the Socialists' resolve regarding the end of the war and the removal of sanctions and international isolation of the FRY are today significantly stronger and more organized, and it is also not so certain that they would allow the opposition to score additional political and election points with their "no" to the peace plan.

Scenario For New Elections?

The impression is that a section of Serbian opposition—in its inability to alter the balance of power on their own terrain (in Serbia) and win the battle against the Socialists—is perhaps playing its last card, regardless of the fact that circumstances in Serbia and around it have changed. This card is extremely risky. Refusal by Karadzic and the assembly in Pale, with the blessing of some opposition parties and the leadership of the Serbian Orthodox Church, to accept the plan will most certainly make the situation in Bosnia-Herzegovina very complicated, since not only would the war continue with unchanged ferocity, but the big powers would, without much deliberation ("They have been pulling our nose for too long"), takee reciprocal repressive measures. Of course, all this would affect Serbia's position and the overall situation. The international community would most probably not have much understanding for Milosevic's limited influence on Karadzic ("You have had unlimited influence in the past two years"), sanctions would be tightened to the maximum, and thus also tensions of all kinds. The opposition is obviously counting on this scenario, thinking that, in that situation, Milosevic would be forced to make more radical concessions to other parties in order to retain power. However, this kind of reasoning could boomerang on the extreme opposition parties, because greater polarization and differentiation among the political forces in Serbia could prompt the reactivation of Milosevic's state and political

repressive apparatus, all this "in the interest of peace and against those forces that favor the prolongation of the war adventure."

In this kind of ambience, it is very uncertain as to whether Serbia would have the new parliamentary elections on which a section of the opposition is counting by flirting with Pale. Assuming that, despite everything, the Socialists agree to elections, the opposition can no longer count with certainty on the majority of the electorate in Serbia not supporting the "peace policy" of Slobodan Milosevic, unless the Serbian president abandons it in the meantime, of course. This kind of denouement is even more possible considering that the Socialists control the powerful state and propaganda mechanism, which, as we can see, is doing wonders in shaping public opinion, while the opposition would still have only its political will.

Karadzic's Choice

It is obvious that Radovan Karadzic, at the time when Slobodan Milosevic is turning his back on him, accusing him of "continuing the war tragedy," restoring primitive capitalism, and tolerating war profiteering of the worst kind, is flirting with the militant section of the Serbian opposition. The distancing by the Belgrade regime, accompanied by strong elements of ideological conflict, is not leaving the leader of the Bosnian Serbs any choice. The acceptance of "peace without further ado," would mean his political death in the Srpska republic. At the same time, taking as granted the increasingly frequent complements from Belgrade nationalist circles that he is the "most able Serbian politician," and the "only serious rival to Milosevic," Karadzic thinks that the conditions are ripe for a break with recent allies in Belgrade and a rapprochement with those forces that consider the peace plan to be a "death sentence for the Serbian people." The support for the Serbian "no" to the maps is therefore being sought among people like Seselj, [Mirko] Jovic, Djindjic, Kostunica, and the Serbian church, who at this moment appear to be a formidable force, but in the long run they will hardly be able to help him retain his newly conquered positions, because, to be perfectly honest, this section of the opposition is not even able to secure a more prominent position for itself within its own community....

Serbian TV on Threat to Serbs in FYROM

94BA0348C Belgrade VREME in Serbo-Croatian 27 Jun 94 p 26

[Article by P.L.: "TV Gunpowder"]

[Text] The team that wins does not change: The old, efficiently tested formula from the days when Serbs talked at the top of their (televised) voices about how they were threatened in Croatia and Bosnia-Herzegovina is being repeated lately on Serbian Radio and Television, at striking evening intervals, all under the guise of "special" political reports. For example, on Tuesday night (and it happened on Sunday and especially Monday as well), a special broadcast was staged at the studio of Belgrade TV: The guests, current Serb leaders in the "former, unrecognized Yugoslav republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]," seemed to be competing to explain how their "collective rights have been curtailed" while at the same time acknowledging that their "individual rights" (right to work, freedom of assembly and agreement, right to free movement, right to express their own opinion, and so forth) are allowed completely and that there are no problems whatsoever in that regard.

As in previous (prominent) cases, what happened was that Belgrade Television was contacted by "decent Macedonians" who "support the right of the Serb nation to decide its own destiny" while at the same time rejecting "the possibility that any party of Macedonians be formed in Serbia."

Naturally, everything turned around the same topic: The census in Macedonia is not legitimate because "no one will recognize that there are 250,000 of us in Kiro Gligorov's state" (all information indicates that this figure is exaggerated at least several times over); the census is not legitimate "because it is aimed against the Serb national being"; the census is not legitimate because "the rights of Serbs defending their home and hearth are disregarded," and so forth.

Experience shows that after such TV broadcasts a war is usually launched to "liberate territory" or "defend" the "home and hearth" in question; the examples of Croatia and Bosnia-Herzegovina are still too fresh to be easily forgotten.

The only question is this: Will Belgrade TV (headed by Milorad Vucelic) take the step that divides peace from war, or will it stop once the census is over, based on the system "over and done with"?

In both variants, the scent of TV gunpowder is quite discernible.

Resignation of Belgrade Mayor Detailed

94BA0348A Belgrade VREME in Serbo-Croatian 27 Jun 94 pp 13-14

[Article by Milan Milosevic: "Resignation of Belgrade Mayor: Good Morning, Belgrade"]

[Text] *The consequences of one resignation.*

The letter of resignation by Belgrade Mayor Dr. Slobodanka Gruden contains only one sentence that reveals her dissatisfaction: "I tender my resignation from the post of president of the Municipal Assembly of Belgrade and board member of the Municipal Assembly of Belgrade." Explaining the resignation before the municipal assembly, she told the people of Belgrade: "They should

know that I am not leaving because I am tired, or at fault, or immoral, or because I am accepting some higher position."

After Dusan Mitevic, the former director of Television, this is the second case where someone from the so-called hard core surrounding the so-called Eighth Session of the League of Communists of Serbia has been written off so directly. The crew from the so-called popular events of 1987-88 has disintegrated thus far mostly through a system of offers that they cannot refuse: Zoran Todorovic Kundak tucked away in the economy, Rados Smiljkovic and Daca Markovic in diplomacy.

When Dr. Slobodanka Gruden submitted her resignation, there was speculation to the effect that this was the result of the SPS [Socialist Party of Serbia] Municipal Committee's dissatisfaction with her policy. The new head of that party's Municipal Committee is Slobodan Jovanovic, the director of TANJUG, a parliamentary deputy twice over, and moreover, like Grudenka, a member of the party's so-called working groups during the Eighth Session.

Dafina's Shadow

It is possible that a certain influence by the SPS faction close to Dr. Mirjana Markovic has returned in the struggle for power in Belgrade. Signs of a certain intolerance between Ms. Gruden and Comrade Markovic have been evident for a year now, but the conflict was revealed most openly last summer, when Comrade Markovic criticized Ms. Gruden for concerning herself with world politics instead of stamping out crime in Belgrade and solving municipal problems. Ms. Gruden then responded rather insolently with a description of the view that can be seen from an open window in the office of Markovic's husband, Serbian President Slobodan Milosevic—the lines of "Dafiment Bank" depositors were closer to his window than to the mayor's window.

Dafina Milanovic probably cost Ms. Gruden her political career. Indeed, she has often been photographed with Dafina Milanovic, but in those pictures her kitsch differed visibly from the kitsch of the "Serbian mother," in a low, wide-brimmed pink hat; on one occasion she coos to depositors as "my darlings," while another time she screams "a bunch of beasts" with the same tone-changing rhythm with which any crude person makes the transition from "ti" to "vi." What Dr. Gruden has said has also frequently been pathetic, but it was the kitsch of a high school student writing compositions (which sound very unpleasant when read at age 17, but even more catastrophic in adulthood). Her actions to exalt herself were insincere.

Nevertheless, she did appear publicly, probably as a duty, with Ms. Dafina for the signing of all sorts of things and the laying of various cornerstones (at Miticeva Rupa in Slavija and elsewhere), laid so that the state could take away money earned through fraud. After all, Covic too "worked" with Jezdimir Vasiljevic for the benefit of the SPS election fund.

Others were happier about their association with Dafina (just recall Mr. Kontic's joy), but Dafina Milanovic was shrewd enough to formally present a gift even to Ms. Gruden in the form of a piece of very high-quality women's jewelry. Dr. Gruden first denied that she had even accepted any personal gift. She contended that through her contacts with Ms. Dafina she was simply representing the public interest. Later she indirectly announced that there had indeed been gifts, but that they had been placed in the Municipal Assembly safe and that like all gifts to public officials they are being kept as public property. Dr. Gruden accused the Belgrade magazine DUGA of libel, but none of the accused went to court. At the beginning of June, she did not attend the city celebration, because of which an entire chorus of criticism against her was heard from the other, national pole, while it did not occur to anyone to draw Kremlin-like conclusions about the functionary's "health."

When the dispute broke out a year ago between Belgrade and Serbia because of the looming municipal catastrophe threatening Belgrade, it appeared that the target of the political attack would be the chairman of the Executive Council of Belgrade, Dr. Nebojsa Covic. At that time, he managed to extract from then-Serbian Prime Minister Sainovic certain material advantages for Belgrade and to remain in his post. Nevertheless, a price was paid last winter—predictions that he could become prime minister of Serbia came to naught. He then intensified his clash with the Belgrade opstinas and with municipal enterprises, attempting to strip the former of power and money and to subjugate the latter. The socialists never reconciled themselves with the fact that they had lost power in the central Belgrade opstinas, and it could turn out that the new cadre combination is evidence of the fact that they want to force the opposition out of the center of Belgrade through a cruder game.

Backing

Perhaps they came to the conclusion in the cadre kitchen that Covic is too ambitious, and they foisted upon him the complex that he is not effective enough. That is probably why he got the honorary post of mayor, which nevertheless signifies his partial immobilization in terms of operational politics. Nor is it possible to completely rule out the possibility that at least one faction in the SPS was thinking about certain similarities between Covic and, say, Djindjic, perhaps by linking his image to businessmen, and perhaps based on his "Young Turk methods." The day before he was to be elected mayor, Covic announced that he was "unaware" of Dr. Gruden's resignation, and when he was elected, he accepted congratulations without much joy, since the applause from the committee members was unusually lukewarm.

The key to what could happen can be seen in the selection of Covic's political commissar. The new head

of the Belgrade socialists is Slobodan Jovanovic, a man from the provinces whose face reflects ugly, unconcealed intolerance, who in accordance with someone's strange sense of humor is designated to receive foreign parliamentary delegations; the imposed editor of EKSPRES at a time when that publication was the most rabble-rousing medium and when in prize games it promised an airplane, an island, and who knows what else that was never awarded to the lucky winners; the editor of TANJUG who chased off the better half of the journalists there. This job placement provides the clearest indication that a somewhat cruder attempt by the socialists to take over the center of Belgrade could be expected.

Covic, who is trying to cultivate the image of a politician with a basis in the managerial stratum of the wartime economy (the radicals call him a racketeer), who is demagogic about voluntarily paying a fine when he crosses the street—it will be hard for him to win this battle with pure party apparatchiks, who are perfidious, accustomed to privilege and inviolability, and who have police backing.

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